# NOTE

This Microfiche meets the quality requirements of the American National Standard for Microfiche of Documents (ANSI PH5.9-1975). However, because of imperfections in the document from which it was made, it contains images that are illegible or difficult to read. The source document for this microfiche is the best copy that could be obtained prior to filming.

CIS

Congressional Information Service, Inc.
Washington, D.C.

# IRAN–CONTRA INVESTIGATION

---

# JOINT HEARINGS

IN EXECUTIVE SESSION AS DECLASSIFIED

BEFORE THE

## SENATE SELECT COMMITTEE ON SECRET MILITARY ASSISTANCE TO IRAN AND THE NICARAGUAN OPPOSITION

AND THE

## HOUSE SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN

ONE HUNDREDTH CONGRESS

FIRST SESSION

100–11

---

AUGUST 4, 5, AND 6, 1987

---

## TESTIMONY OF DEWEY R. CLARRIDGE, C/CATF, AND CLAIR GEORGE

Printed for the use of the Select Committees on the Iran-Contra Investigation

U.S. GOVERNMENT PRINTING OFFICE
75–938 WASHINGTON : 1988

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, DC 20402

S961-13
H961-49

## SENATE SELECT COMMITTEE ON SECRET MILITARY ASSISTANCE TO IRAN AND THE NICARAGUAN OPPOSITION

## HOUSE SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN

## JOINT HEARINGS ON THE IRAN-CONTRA INVESTIGATION

### UNITED STATES SENATE

DANIEL K. INOUYE, Hawaii, *Chairman*
WARREN RUDMAN, New Hampshire, *Vice Chairman*

GEORGE J. MITCHELL, Maine
SAM NUNN, Georgia
PAUL S. SARBANES, Maryland
HOWELL T. HEFLIN, Alabama
DAVID L. BOREN, Oklahoma

JAMES A. McCLURE, Idaho
ORRIN G. HATCH, Utah
WILLIAM S. COHEN, Maine
PAUL S. TRIBLE, Jr., Virginia

---

Arthur L. Liman, *Chief Counsel*
Paul Barbadoro, *Deputy Chief Counsel*
Mary Jane Checchi, *Executive Director*
Mark A. Belnick, *Executive Assistant to the Chief Counsel*

### UNITED STATES HOUSE OF REPRESENTATIVES

LEE H. HAMILTON, Indiana, *Chairman*
DANTE B. FASCELL, Florida, *Vice Chairman*

THOMAS S. FOLEY, Washington
PETER W. RODINO, Jr., New Jersey
JACK BROOKS, Texas
LOUIS STOKES, Ohio
LES ASPIN, Wisconsin
EDWARD P. BOLAND, Massachusetts
ED JENKINS, Georgia

DICK CHENEY, Wyoming
WM. S. BROOMFIELD, Michigan
HENRY J. HYDE, Illinois
JIM COURTER, New Jersey
BILL McCOLLUM, Florida
MICHAEL DeWINE, Ohio

---

John W. Nields, Jr., *Chief Counsel*
W. Neil Eggleston, *Deputy Chief Counsel*
Casey Miller, *Staff Director*
Thomas R. Smeeton, *Minority Staff Director*
George W. Van Cleve, *Chief Minority Counsel*

# CONTENTS

## AUGUST 4 THROUGH 6, 1987

## WITNESSES

Page

Tuesday, August 4:

Dewey R. Clarridge 1
C/CATF 83
Opening Statement 83
Continued Testimony 84

Wednesday, August 5:

Continued Testimony of C/CAFT, from August 4 99
Clair George 189

Thursday, August 6:

Continued Testimony of Clair George, from August 5 205

## APPENDIX A: EXHIBITS

### EXHIBITS OF DEWEY R. CLARRIDGE

DRC-1 Previously Transmitted Cables 277
DRC-1-1 Message to [deleted] from [deleted] Dated 22 Nov. 1985 279
DRC-1-2 Message to [deleted] from [deleted] Dated 22 Nov. 1985 280
DRC-1-3 NSC Instructions 281
DRC-1-4 NSC Mission 282
DRC-1-5 NSC Mission 284
DRC-1-6 NSC Mission 285
DRC-1-7 NSC Mission 286
DRC-1-8 NSC Mission 287
DRC-1-9 NSC Mission 288
DRC-1-10 NSC Mission 289
DRC-1-11 NSC Mission 290
DRC-1-12 NSC Request 291
DRC-1-13 NSC Mission 292
DRC-1-14 NSC Mission 293
DRC-1-15 NSC Mission 294
DRC-1-16 NSC Request 295
DRC-1-17 NSC Request 296
DRC-1-18 Request for Assistance 297
DRC-1-19 NSC Mission 298
DRC-1-20 [Deleted] in its Entirety 300
DRC-1-21 NSC Mission 301
DRC-1-22 NSC Mission 302
DRC-1-23 NSC Request 303
DRC-1-24 NSC Mission 304
DRC-1-25 [Deleted] in its Entirety 305
DRC-1-26 NSC Request 306
DRC-1-27 NSC Mission 307
DRC-1-28 NSC Mission 308
DRC-1-29 NSC Mission 309
DRC-1-30 NSC Request 310
DRC-1-31 NSC Request 311
DRC-1-32 NSC Mission 312
DRC-1-33 NSC Request 314
DRC-1-34 Identities 316

Page
DRC-1-35 NSC Request 317
DRC-1-36 [Deleted] in its Entirety 318
DRC-1-37 NSC Request 319
DRC-1-38 NSC Request 320
DRC-1-39 NSC Request 321
DRC-1-40 NSC Request 322
DRC-1-41 NSC Request 323
DRC-1-42 NSC Request 324
DRC-1-43 NSC Request 325
DRC-1-44 NSC Request 326
DRC-1-45 NSC Request 327
DRC-1-46 NSC Request 328
DRC-1-47 NSC Request 329
DRC-1-48 NSC Request 330
DRC-1-49 NSC Request 331
DRC-1-50 NSC Request 332
DRC-1-51 NSC Request 333
DRC-1-52 NSC Request 334
DRC-1-53 NSC Mission 335
DRC-1-54 NSC Mission 336
DRC-1-55 NSC Mission 337
DRC-1-56 NSC Mission 338
DRC-1-57 NSC Mission 339
DRC-1-58 NSC Mission 340
DRC-1-59 NSC Mission 341
DRC-1-60 NSC Mission 342
DRC-1-61 Message to Immediate Director from [Deleted] Dated 25 of Nov. 1985 343
DRC-1-62 NSC Mission 344
DRC-1-63 NSC Mission 345
DRC-1-64 NSC Mission 346
DRC-1-65 DCM Meeting with Foreign Ministry 347
DRC-1-66 NSC Proposal 350
DRC-1-67 NSC Mission 351
DRC-1-68 [Deleted] in its Entirety 352
DRC-1-69 DCR Meetings with Foreign Ministry 353
DRC-1-70 [Deleted] Meetings with Foreign Ministry 354
DRC-1-71 NSC Mission 355
DRC-1-72 NSC Mission 356
DRC-1-73 NSC Mission 357
DRC-1-74 NSC Operation 358
DRC-1-75 NSC Mission 359
DRC-1-76 Questions Regarding Reviving [deleted] Cooperation 360
DRC-1-77 Cable Relay 361
DRC-1-78 NSC Operation 362
DRC-1-79 NSC Operation 363
DRC-1-80 NSC Operation—Update 364
DRC-1-81 NSC Operation—Update 365
DRC-1-82 NSC Operation 366
DRC-1-83 [Deleted] in its Entirety 367
DRC-1-84 NSC OPS in [deleted] 368
DRC-2 State Department Cable, 11/22/85 369
DRC-3 PROF Notes, 11/22/85 371
DRC-4 North White House Passes, 11/23/85 and 11/24/85 372
DRC-5-1 North Notebook Excerpts, 11/16/85 to 11/26/85 374
DRC-5-2 North Notebook Excerpts, 11/16/85 to 11/26/85 375
DRC-5-3 North Notebook Excerpts, 11/16/85 to 11/26/85 376
DRC-5-4 North Notebook Excerpts, 11/16/85 to 11/26/85 377
DRC-5-5 North Notebook Excerpts, 11/16/85 to 11/26/85 378
DRC-5-6 North Notebook Excerpts, 11/16/85 to 11/26/85 379
DRC-5-7 North Notebook Excerpts, 11/16/85 to 11/26/85 380
DRC-5-8 North Notebook Excerpts, 11/16/85 to 11/26/85 381
DRC-5-9 North Notebook Excerpts, 11/16/85 to 11/26/85 382
DRC-5-10 North Notebook Excerpts, 11/16/85 to 11/26/85 383
DRC-5-11 North Notebook Excerpts, 11/16/85 to 11/26/85 384
DRC-5-12 North Notebook Excerpts, 11/16/85 to 11/26/85 385
DRC-5-13 North Notebook Excerpts, 11/16/85 to 11/26/85 386
DRC-5-14 North Notebook Excerpts, 11/16/85 to 11/26/85 387

Page
DRC–5–15 North Notebook Excerpts, 11/16/85 to 11/26/85 388
DRC–5–16 North Notebook Excerpts, 11/16/85 to 11/26/85 389
DRC–5–17 North Notebook Excerpts, 11/16/85 to 11/26/85 390
DRC–5–18 North Notebook Excerpts, 11/16/85 to 11/26/85 391
DRC–5–19 North Notebook Excerpts, 11/16/85 to 11/26/85 392
DRC–5–20 North Notebook Excerpts, 11/16/85 to 11/26/85 393
DRC–5–21 North Notebook Excerpts, 11/16/85 to 11/26/85 394
DRC–5–22 North Notebook Excerpts, 11/16/85 to 11/26/85 395
DRC–5–23 North Notebook Excerpts, 11/16/85 to 11/26/85 396
DRC–5–24 North Notebook Excerpts, 11/16/85 to 11/26/85 397
DRC–6A 398
DRC–6B North Hearing Testimony, Excerpts 407
DRC–7 Allen Deposition Excerpt, 4/21/87 414
DRC–8 McMahon Deposition Excerpt, HAWKs 423
DRC–9 PROF Notes, 12/4/85 434
DRC–10 Memo for the Record from [deleted] Re: 12/5/85 Meeting 438
DRC–11 December 5th Finding 441
DRC–12 McMahon Re: Finding 443
DRC–13 [Deleted] Chronology 445
DRC–14 Memo for the Record, 12/18/85 Subject: Discussion with Subject 448
DRC–15 Memo from North To Poindexter, 1/24/86 Subject: Operation Recovery 451
DRC–16 Memo from North to Poindexter, 5/22/86 458
DRC–17 PROF Notes, 8/23/86 481
DRC–18 Clarridge Deposition Excerpt 4/27/87 [deleted] 484
DRC–19–1 Visits to [deleted] 491
DRC–19–2 [Deleted] Assistance to Nicaraguan Project 492
DRC–19–3 [Deleted] Assistance to Nicaragua 493
DRC–19–4 Supply [deleted] Assistance to Nicaragua Program 495
DRC–19–5 [Deleted] Assistance to Nicaraguan Project 496
DRC–19–6 [Deleted] Assistance to Nicaraguan Project [deleted] 497
DRC–19–7 [Deleted] Assistance to Nicaraguan Project [deleted] 498
DRC–19–8 [Deleted] Travel 499
DRC–19–9 [Deleted] Travel 500
DRC–19–10 Identity 501
DRC–19–11 [Deleted] Travel 502
DRC–19–12 [Deleted] Visit 503
DRC–19–13 Visit of [deleted] 504
DRC–19–14 [Deleted] Discussions with [deleted] 505
DRC–19–15 [Deleted] Arrival 506
DRC–19–16 REF Discussion with [deleted] 507
DRC–19–17 Discussion with [deleted] 508
DRC–19–18 Discussion with [deleted] 509
DRC–19–19 [Deleted] Support for the Nicaraguan Armed Opposition 510
DRC–19–20 Letter to Mr. Neil Eggleston from [deleted] July 6, 1987 514
DRC–20 McMahon Deposition Excerpt [deleted] 517
DRC–21 PROF Notes [deleted] 529
DRC–22 Memo from North to McFarlane, 2/16/84 Subject: NSPG Meeting 531
DRC–23 Memo from North to McFarlane, 3/30/84 Subject: Nicaragua Special Activities Program 532
DRC–24 Memo from North to McFarlane, 9/13/84 Subject: HPSCI/SSCI Hearings on U.S. Private Citizens Support to Nicaraguan Resistance Forces 533
DRC–25 North Notebook Excerpts, 9/13/84 539
DRC–26 Memo for the Vice President, 9/18/84 Subject: Funding for the Contras 541
DRC–27 North Notebook Excerpt, 11/10/84 543
DRC–28 North Notebook Excerpt, 12/2/84 544
DRC–29 Memo from North to McFarlane, 12/4/84 Subject: Assistance for Nicaraguan Resistance 545
DRC–30 North Notebook Excerpt, 12/27/84 550
DRC–31 North Notebook Excerpt, 1/5/85 551
DRC–32 North Notebook Excerpt, 7/8/85 552
DRC–33 North Notebook Excerpt, 9/10/84 553
DRC–34 North Notebook Excerpt, 9/11/12/84 554

EXHIBITS OF C/CATF

Page
C/CATF-1 Memorandum from Oliver L. North to Robert C. McFarlane Dated 07 November 1984 .... 565
C/CATF-2 Note Dated 08 February 1985 from Oliver North's Notebook "Maps Delivered by" .... 568
C/CATF-3 Memorandum from Oliver L. North to Robert C. McFarlane Dated 06 February 1985 .... 569
C/CATF-4 Note Dated 15 February 1985 from Oliver North's Notebook .... 571
C/CATF-5 CIA Cable Dated 05 March 1985 .... 572
C/CATF-6 Note Dated 07 March 1985 from Oliver North's Notebook .... 574
C/CATF-7 CIA Cable Dated 04 June 1985 .... 575
C/CATF-8 CIA Cable Dated 14 June 1985 .... 576
C/CATF-9 Notes Dated 11 July 1985 and 31 July 1985 from Oliver North's Notebook .... 577
C/CATF-10 CIA Cable Dated 13 August 1985 .... 579
C/CATF-11 CIA Cable Dated 17 August 1985 .... 580
C/CATF-12 Notes Dated 09 August 1985 from Oliver North's Notebook .... 581
C/CATF-13 Memorandum to BG from TC Dated 25 August 1985 .... 585
C/CATF-14 Letter to Felix (Rodriguez) from N (North) Dated 20 September 1985 .... 592
C/CATF-15 Handwritten Notes of NHAO Meeting 01 October 1985 .... 596
C/CATF-16 CIA Cable Dated 21 December 1985 .... 605
C/CATF-17 CIA Cables Dated 17 January 1986 and 25 January 1986 .... 606
C/CATF-18 CIA Cable Dated 07 February 1986 .... 609
C/CATF-19 CIA Cable Dated 21 February 1986 .... 610
C/CATF-20 Excerpt from Deposition of Robert Dutton 27 May 1987 .... 612
C/CATF-21 CIA Cable Dated 15 March 1986 .... 617
C/CATF-22 White House Cable Dated 21 March 1986 .... 618
C/CATF-23 KL-43 Messages Dated 24 March 1986 and 27 March 1986 .... 619
C/CATF-24 Notes Dated 31 March 1986 from Oliver North's Notebook .... 621
C/CATF-25 CIA Cable Dated 08 April 1986 .... 622
C/CATF-26 KL-43 Messages Dated 08 April 1986 and 09 April 1986 .... 624
C/CATF-27 CIA Cable Dated 11 April 1986 .... 628
C/CATF-28 CIA Cable Dated 12 April 1986 .... 629
C/CATF-29 KL-43 Messages Dated 12 April, 15 April, 23 April, and 02 May 1986 .... 630
C/CATF-30-1 CIA Cable Dated 03 May 1986 .... 634
C/CATF-30-2 CIA Cable Dated 24 May 1986 .... 636
C/CATF-30-3 CIA Cable Dated 27 May 1986 .... 637
C/CATF-30-4 CIA Cable Dated 28 May 1986 .... 640
C/CATF-30-5 CIA Cable Dated 19 June 1986 .... 641
C/CATF-30-6 Excerpt from CIA RIG Report .... 643
C/CATF-31 CIA Cable Dated 28 May 1986 .... 644
C/CATF-32 Memorandum to DDO from [deleted] Dated 26 November 1986 .... 645
C/CATF-33 CIA Cable Dated 12 July 1986 .... 648
C/CATF-34 PROF Messages from Oliver North Dated 02 September 1986 .... 649
C/CATF-35 PROF Messages from Oliver North Dated 13 September 1986 .... 650
C/CATF-36 Memorandum to John M. Poindexter from Oliver L. North Dated 30 September 1986 .... 652
C/CATF-37 Notes Dated 28 August 1986 from Oliver North's Notebook .... 661
C/CATF-38 PROF Messages from Robert Earl Dated 08 October 1986 .... 664
C/CATF-39 Excerpts from HPSCI Hearing on 14 October 1986 .... 665
C/CATF-40 Excerpts from [deleted] Deposition Dated 11 May 1987 .... 678
C/CATF-41 Excerpts from President's Special Review Board Interview of [deleted] Dated 08 January 1987 .... 692
C/CATF-42 CIA Cables Regarding Prohibitions on Assistance .... 695
C/CATF-43-1 Note from Oliver North Notebook Dated 07 December 1984 .... 702
C/CATF-43-2 Note from Oliver North Notebook Dated 11 December 1984 .... 703
C/CATF-43-3 Note from Oliver North Notebook Dated 20 February 1985 .... 704
C/CATF-43-4 Note from Oliver North Notebook Dated 07 March 1985 .... 705
C/CATF-43-5 Note from Oliver North Notebook Dated 14 May 1985 .... 706
C/CATF-43-6 Notes from Oliver North Notebook Dated 08 Through 13 June 1985 .... 707
C/CATF-43-7 Note from Oliver North Notebook Dated 17 June 1985 .... 723
C/CATF-43-8 Note from Oliver North Notebook Dated 26 June 1985 .... 724
C/CATF-43-9 Note from Oliver North Notebook Dated 16 July 1985 .... 725
C/CATF-43-10 Note from Oliver North Notebook Dated 04 September 1985 .... 726

Page
C/CATF-43-11 Note from Oliver North Notebook Dated 20 September 1985..... 728
C/CATF-43-12 Note from Oliver North Notebook Dated 26 September 1985..... 729
C/CATF-43-13 Note from Oliver North Notebook Dated 16 November 1985..... 730
C/CATF-43-14 Note from Oliver North Notebook Dated 02 December 1985..... 731
C/CATF-43-15 Note from Oliver North Notebook Dated 04 December 1985..... 732
C/CATF-43-16 Note from Oliver North Notebook Dated 09 January 1986........ 733
C/CATF-43-17 Note from Oliver North Notebook Dated 13 January 1986........ 734
C/CATF-43-18 Note from Oliver North Notebook Dated 21 January 1986........ 735
C/CATF-43-19 Note from Oliver North Notebook Dated 31 January 1986........ 736
C/CATF-43-20 Note from Oliver North Notebook Dated 18 February 1986....... 737
C/CATF-43-21 Note from Oliver North Notebook Dated 27 February 1986....... 738
C/CATF-43-22 Note from Oliver North Notebook Dated 31 March 1986........... 739
C/CATF-43-23 Note from Oliver North Notebook Dated 01 April 1986............ 740
C/CATF-43-24 Note from Oliver North Notebook Dated 02 April 1986............ 741
C/CATF-43-25 Note from Oliver North Notebook Dated 18 April 1986............ 742
C/CATF-43-26 Note from Oliver North Notebook Dated 02 May 1986............... 743
C/CATF-43-27 Note from Oliver North Notebook Dated 16 May 1986............... 744
C/CATF-43-28 Note from Oliver North Notebook Dated 17 June 1986.............. 745
C/CATF-43-29 Note from Oliver North Notebook Dated 04 September 1986..... 746
C/CATF-44 Memorandum from Clair George UnDated.................................. 747
C/CATF-45 Memorandum from Clair George Dated 01 October 1985.............. 749
C/CATF-46 Memorandum from Clair George UnDated.................................. 751
C/CATF-47 CIA Cable Dated 07 February 1986.......................................... 754

EXHIBITS OF CLAIR GEORGE

CG-1 North Diary 2/11/85........................................................ 755
CG-2 North Diary 2/15/85........................................................ 760
CG-3 North Diary 2/19/85........................................................ 769
CG-4 HLTF Memo of 2/28/85..................................................... 774
CG-5 3/1-4/85 CIA Memo.......................................................... 776
CG-6 3/11/85 CIA Memo........................................................... 779
CG-7 3/12/85 North Diary......................................................... 780
CG-8 CIA Memo of 3/14/85....................................................... 788
CG-9 3/18/85 CIA Memo........................................................... 792
CG-10 North Diary 3/21/85...................................................... 793
CG-11 CIA Cable of 4/16/85..................................................... 795
CG-12 CIA Memo of 4/30/85..................................................... 796
CG-13 CIA Memo of 5/10/85..................................................... 797
CG-14 CIA Memo of 5/14/85..................................................... 798
CG-15 North to McFarlane Memo of 5/24/85............................... 799
CG-16 6/3/85 CIA Memo.......................................................... 806
CG-17 6/7/85 North to McFarlane Memo...................................... 807
CG-18 North Diary 6/10/85...................................................... 813
CG-19 North Diary 7/1/85........................................................ 818
CG-20 North Diary 7/2/85........................................................ 821
CG-21 6/8/86 CIA Memo.......................................................... 823
CG-22 6/16/85 CIA Memo........................................................ 825
CG-23 7/2/85 CIA Memo.......................................................... 827
CG-24 7/9/85 CIA Cable and Memo............................................ 828
CG-25 7/11/85 State Department Cable....................................... 831
CG-26 7/12/85 CIA Memo........................................................ 832
CG-27 7/13/85 CIA Memo........................................................ 834
CG-28 7/16/85 CIA Memo........................................................ 835
CG-29 7/23/85 CIA Memo........................................................ 836
CG-30 7/27/85 North to McFarlane Memo and North Diary.............. 837
CG-31 7/27/85 North Diary....................................................... 838
CG-32 CIA Cable/Memo 8/19/85................................................ 842
CG-33 CIA Cable 9/4/85.......................................................... 844
CG-34 North Diary 9/16/85...................................................... 845
CG-35 Allen 10/7/85 [deleted] Memo.......................................... 848
CG-36 10/28/85 CIA Cable....................................................... 851
CG-37 10/29/85 CIA Cable....................................................... 852
CG-38 Not Used..................................................................... 853
CG-39 10/29/85 North Diary..................................................... 854
CG-40 10/30/85 North Diary..................................................... 860
CG-41 10/31/85 CIA Cable....................................................... 863
CG-42 11/13/85 Cable............................................................. 864

Page
CG-43 11/24-25/85 North Diary ........ 865
CG-44 McMahon of 12/7/85 ........ 878
CG-45 12/4/85 Meeting Memo by Allen ........ 881
CG-46 11/26/85 Finding ........ 888
CG-47 12/10/85 Casey Memo ........ 890
CG-48 12/16/85 North Diary ........ 891
CG-49 12/21-22/85 CIA Memo ........ 893
CG-50 1/11/86 CIA Memo ........ 902
CG-51 Allen Memo ........ 903
CG-52 North Diary 1/13/86 ........ 912
CG-53 North Diary 1/14/86 ........ 926
CG-54 CIA Cable 1/17/86 ........ 930
CG-55 1/25/86 CIA Cable ........ 931
CG-56 Allen 2/18/86 Memo ........ 933
CG-57 CIA Memo ........ 938
CG-58 3/27/84 Casey Letter ........ 942
CG-59 North Diary 4/4/84 ........ 944
CG-60 North Diary 4/27/84 ........ 950
CG-61 North Diary 5/3/84 ........ 955
CG-62 North Diary 6/26/84 ........ 957
CG-63 North Diary 7/12/84 ........ 965
CG-64 8/23/84 CIA OGC ........ 971
CG-65 December, 1984, OGC ........ 981
CG-66 North Diary 2/3/85 ........ 990
CG-67 North Diary 2/4/85 ........ 994
CG-68 North Diary 2/5/85 ........ 1002
CG-69 North Memo of 2/6/85 ........ 1005
CG-70 McMahon Report on Casey Meeting of 2/25/85 ........ 1010
CG-71 CIA Cable 3/5/85 ........ 1013
CG-72 CIA Cable 3/25/85 ........ 1015
CG-73 North Diary 3/26-27/85 ........ 1017
CG-74 ........ 1029
CG-75 ........ 1031
CG-76 ........ 1034
CG-77 ........ 1037
CG-78 ........ 1038
CG-79 ........ 1039
CG-80 ........ 1044

## APPENDIX B: OTHER DOCUMENTS AND MATERIALS INTRODUCED AT THE HEARINGS

CBS Evening News with Dan Rather Dated April 6, 1984 ........ 1048
Opinion by George Jamison, Associate General Counsel ........ 1050

# JOINT HEARINGS ON THE IRAN-CONTRA INVESTIGATION

## Testimony of Dewey R. Clarridge and C/CATF *

---

TUESDAY, AUGUST 4, 1987

HOUSE SELECT COMMITTEE TO INVESTIGATE
COVERT ARMS TRANSACTIONS WITH IRAN

AND

SENATE SELECT COMMITTEE ON SECRET MILITARY
ASSISTANCE TO IRAN AND THE NICARAGUAN OPPOSITION,
*Washington, DC.*

The Select Committees met, pursuant to call, at 9:00 a.m. in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the House Select Committee) and Hon. Daniel K. Inouye (chairman of the Senate Select Committee) presiding.

Chairman HAMILTON. The Select Committees will come to order.

The witness this morning is Mr. Dewey Clarridge. Mr. Clarridge, would you stand and raise your right hand.

[Witness sworn.]

### TESTIMONY OF DEWEY R. CLARRIDGE, CENTRAL INTELLIGENCE AGENCY

Chairman HAMILTON. Do you have an opening statement, Mr. Clarridge?

Mr. CLARRIDGE. No, I don't.

Chairman HAMILTON. May I suggest that you pull that microphone close to you and speak right into it. Otherwise it doesn't carry very well.

Mr. Eggleston.

Mr. BROOKS. Mr. Chairman, may I make an inquiry of the chair?

The young lady with Mr. Clarridge, can we find out who the young lady is?

Chairman HAMILTON. Would you identify yourself please.

Ms. MCGINN. Kathleen McGinn from the Office of the General Counsel of the CIA. I represent Mr. Clarridge in his official capacity and the Central Intelligence Agency.

Mr. BROOKS. She is sent here as a representative by the Agency?

Ms. MCGINN. I am here in both capacities for Mr. Clarridge as a CIA official, and for the Agency. Those interests coincide.

---

* Chief of the Central American Task Force of the CIA.

Mr. BROOKS. Mr. Chairman, that raises in my mind a question. I am not going to object, but nonetheless it seems to me that the committee has to consider that if counsel appears as a representative of the Agency and at the same time represents an individual witness who is here, I wonder whether or not there isn't a conflict of interest.

Mr. FASCELL. Of course there is.

Chairman HAMILTON. Counsel, you said you were representing the Agency and Mr. Clarridge in his official capacity, is that your statement?

Ms. MCGINN. That is correct.

Chairman HAMILTON. You are here, I presume, with the consent of Mr. Clarridge and with his approval?

Mr. CLARRIDGE. It is fine with me.

Mr. FASCELL. Who represents him in his personal capacity, Mr. Chairman?

Mr. CLARRIDGE. No one.

Ms. MCGINN. He is here without a lawyer in his personal capacity.

Chairman HAMILTON. Any further questions?

Mr. Eggleston.

Mr. EGGLESTON. Let me begin with a brief review of your background. You were born in New Hampshire?

Mr. CLARRIDGE. Right.

Mr. EGGLESTON. You are a graduate, are you not, of Brown University, and then you did some postgraduate work, I think, at Columbia, is that correct?

Mr. CLARRIDGE. That is correct.

Mr. EGGLESTON. You started with the Agency [deleted], and you had a number of assignments with them since that time?

Mr. CLARRIDGE. Yes.

Mr. EGGLESTON. You had one period of time as Chief of Operations in the Near East Division?

Mr. CLARRIDGE. I was Chief of Operations for a brief period of time and then Deputy Chief for the Division for [deleted].

Mr. EGGLESTON. You were [deleted].

Mr. CLARRIDGE. [Deleted].

Mr. EGGLESTON. In August of 1981 or so, you became [deleted] of the Latin American Division?

Mr. CLARRIDGE. Correct.

Mr. EGGLESTON. There comes a time then when you became Chief of the European Division, when was that?

Mr. CLARRIDGE. About 1 October 1984.

Mr. EGGLESTON. So you became—you left your job as [deleted] of the LA Division right before the Boland Amendment became effective, is that fair?

Mr. CLARRIDGE. That is correct.

Mr. EGGLESTON. You remained as Chief of the European Division until what time?

Mr. CLARRIDGE. Until mid-February 1986.

Mr. EGGLESTON. At which time you became [deleted]?

Mr. CLARRIDGE. That is correct.

Mr. EGGLESTON. What is your position now?

Mr. CLARRIDGE. I still hold that position.

Mr. **Eggleston**. Having reviewed your background, let me turn to the first area that I want to ask you about this morning, that is about the Iran initiative. I am going to ask you questions initially principally about the time period of November 1985. I know you have testified on this subject before.

Before you is an exhibit, a number of cables which are exhibits, DRC–1–1 through 1–84. You don't have to look at them now, but as we go through, I will ask you to direct your attention to various aspects of them. I am not going to take you through all of them since you have testified before and since members are generally familiar with most of your testimony. I will summarize aspects of your testimony where convenient. If I do so inacurrately, please stop me.

Is is true that late in the evening or afternoon of November 21, 1985, which was a Thursday, you received a telephone call, you were at home, and you received a call from Colonel North?

Mr. **Clarridge**. Yes. I would guess that it was sometime in the early evening or mid-evening of the 21st.

Mr. **Eggleston**. And at the time that you received the call, he asked you if you could provide some assistance to him with regard to something that was taking place in [deleted]?

Mr. **Clarridge**. That is right.

Mr. **Eggleston**. What did he tell you about what it was that was going on and what he needed your assistance in?

Mr. **Clarridge**. I don't recollect exactly, but I think he said he needed to get an aircraft landing rights to come into [deleted].

Mr. **Eggleston**. In response to his request, you had the CIA Headquarters cable [deleted] to go in [deleted], is that correct?

Mr. **Clarridge**. Correct.

Mr. **Eggleston**. There comes a time shortly after that when there is sent a cable telling them that they should assist a Mr. Copp if he should require assistance, is that fair?

Mr. **Clarridge**. Yes. The cable mentioned not only Mr. Copp, but it also mentioned that Mr. Copp was Mr. Secord. Both names I believe were used.

Mr. **Eggleston**. As of the time that you sent the cable, which tells them to provide assistance to Mr. Copp or Mr. Secord, did you know from Colonel North what it was this operation was about?

Mr. **Clarridge**. I don't believe so at that point. I think all I knew at that point was that [deleted] needed to be instructed to contact or would be contacted by Mr. Copp-Secord.

Mr. **Eggleston**. You knew though that a flight was coming in from someplace and needed the permission [deleted] to land [deleted]?

Mr. **Clarridge**. Yes, I don't know whether I knew the flight had actually left from Tel Aviv at that point or not.

Mr. **Eggleston**. That was my question. You knew it was coming from Tel Aviv?

Mr. **Clarridge**. Yes, but I probably only knew that once I had gotten to the office.

Mr. **Eggleston**. Which would have been Friday, November 22d?

Mr. **Clarridge**. Yes, sometime in the early morning, it might have been as early as 2:00 or 3:00 o'clock in the morning.

Mr. **Eggleston**. Did you know at that time what kind of plane it was that was coming in?

Mr. **Clarridge**. At some point during that time, I was told that the plane was an El Al 747.

Mr. **Eggleston**. As of this early time, your initial conversations with Colonel North, did you know or had you been informed by Colonel North what was on the plane?

Mr. **Clarridge**. No, I was not.

Mr. **Eggleston**. Let me ask you to direct your attention to exhibit 2 in the book.

Mr. **Clarridge**. DRC-2?

Mr. **Eggleston**. Yes, sir. Do you have that?

Mr. **Clarridge**. Yes, I see it.

Mr. **Eggleston**. This is a State Department cable that was sent by [deleted], back to headquarters of the State Department, dated November 22d, and it relates events which occur, I believe, on November 21. I would like to direct your attention to the second half or so of paragraph 2 of the cable where it begins, "The [deleted] manager," do you see that?

Mr. **Clarridge**. Correct.

Mr. **Eggleston**. I will just read it to you. "The [deleted] manager stated that he hoped Foreign Ministry authorization would be given for two aircraft to transit [deleted]. They would be carrying arms provided by Israel for Iran. [Deleted] said that the [deleted] official (apparently acts as broker for the arms deal) referred to an 'American general' involved in the undertaking and the close relations of [deleted] with the United States. [Deleted] wondered if the Embassy had information about the strange case perhaps involving a retired U.S. General," and the response, if you go on, I won't read it—the response, as you go on, essentially relates that the Embassy [deleted] related to [deleted] that they didn't know anything about it.

I take it that this cable, which makes explicit reference to arms going from Israel to Iran through [deleted] involving a retired U.S. general, is not something that you knew about at or about November 22d?

Mr. **Clarridge**. No, this is the first time I have ever seen this cable.

Mr. **Eggleston**. You were then in the office on November 22d, and I believe you begin sending and receiving a series of cables relating to this problem of obtaining landing rights for this flight. Do you recall that occurring on Friday?

Mr. **Clarridge**. Yes.

Mr. **Eggleston**. Let me direct you to one which is a sample of others, No. 1-6. There are not separate tabs for each cable. What I have done is I think in the lower right-hand corner of each one, you will be able to see it is 1-6.

Mr. **Clarridge**. Right.

Mr. **Eggleston**. Let me just read the first paragraph of this one. It is a sample of others. "NSC has requested that you ask [deleted] to weigh in with appropriate [deleted] officials on this matter. 'Pull out all stops' as aircraft is 1 hour from its abort time." This is a cable sent, I take it, by you to [deleted]?

Mr. **Clarridge**. That is correct.

Mr. **Eggleston**. Is this what is called a privacy-channel cable?

Mr. **Clarridge**. Yes. That indicator at the top indicates that it was the European Division's privacy-channel.

Mr. **Eggleston**. The indicator, so that it is clear, there is a place at the top that says E/O, then [deleted].

Mr. **Clarridge**. That is the indicator for the European Division's privacy-channel.

Mr. **Eggleston**. What is a privacy-channel cable?

Mr. **Clarridge**. A privacy-channel is a channel of communications between usually the Division Chief or the acting Division Chief and his Chiefs of Station in which he discusses the matters that are particularly sensitive.

Usually it is used for, or very frequently it is used for personal matters and copies of this, of privacy-channel traffic going in or out also go to the Deputy Director for Operations.

Mr. **Eggleston**. I take it, though, the reason that it is a privacy-channel is that there is not the usual distribution of cables within the Agency; is that fair?

Mr. **Clarridge**. Yes, that is fair. There are other such systems, but that is a fair enough statement.

Mr. **Eggleston**. So the result of doing this on privacy-channels was that you would receive copies of these cables and in addition to you, the DO would receive some as well?

Mr. **Clarridge**. Right, the Deputy Director for Operations would also receive all of them.

Mr. **Eggleston**. We covered this a little bit in your deposition and have done some subsequent looking into it. Is it also fair to say that on privacy-channel cables, these cables are not maintained in any executive registry; they are filed by the Division Chief?

Mr. **Clarridge**. They are filed by the division—when you say the Division Chief, I don't think the Division Chief normally files them all.

Mr. **Eggleston**. I wasn't referring so much to who put it in the file as that the files are maintained——

Mr. **Clarridge**. By the division and by the Office of the Deputy Director of Operations.

Mr. **Eggleston**. Do you know, Mr. Clarridge, whether the DO maintains copies of these or whether or not the only copy is maintained by the Division Chief, in the Office of the Division Chief?

Mr. **Clarridge**. I didn't know that.

Mr. **Eggleston**. I want to direct your attention to the date/time group on this channel.

It says TOT: 22 [deleted], November 1985. Do you see that?

Mr. **Clarridge**. Correct.

Mr. **Eggleston**. I take it, and this is so that it is clear, the 22 refers to the day, so this indicates this is a cable on the 22d of November, 1985, and the time is [deleted]—Z stands for Zulu?

Mr. **Clarridge**. Zulu.

Mr. **Eggleston**. And that is a designation of Greenwich mean time?

Mr. **Clarridge**. Right.

Mr. **Eggleston**. I take it the reason you do that is because you have stations all over the world and this way everyone is on the same time?

Mr. **Clarridge**. That would make it [deleted] Washington time.

Mr. **Eggleston**. Five hours' difference. As of the time that you sent this cable to which I have just referred your attention, indicating that [deleted] is to pull out all stops and enlist the aid of the chargé in pulling out all stops, do you know anything more about this initiative other than that Colonel North has asked you to obtain permission from [deleted] to permit a flight to land?

Mr. **Clarridge**. Yes. By this time, I assume that Charlie Allen had come to see me and had shown me some intelligence reports having to do with an effort underway to get the hostages out of Lebanon.

Mr. **Eggleston**. So you recall that by Friday morning, you have had a conversation with Charlie Allen [deleted]; is that right?

Mr. **Clarridge**. Yes.

Mr. **Eggleston**. Do you remember how many [deleted] you were shown?

Mr. **Clarridge**. I don't remember how many or even their content.

Mr. **Eggleston**. Obviously, you remember something about their content because you remember that they relate to getting hostages out of Lebanon.

Mr. **Clarridge**. Yes, I do.

Mr. **Eggleston**. Do you remember anything else about their content?

Mr. **Clarridge**. No, I do not.

Mr. **Eggleston**. Do you remember that there were references [deleted] to negotiations between Americans and Iranians?

Mr. **Clarridge**. I don't specifically remember that.

Mr. **Eggleston**. Do you have any recollection that [deleted] made reference to weapons?

Mr. **Clarridge**. No, I don't.

Mr. **Eggleston**. You do not remember that there were any references to weapons [deleted]?

Mr. **Clarridge**. Not at all.

Mr. **Eggleston**. Are you confident that this meeting with Mr. Allen took place on Friday morning, November 22d?

Mr. **Clarridge**. Yes, I'm confident about Friday—it must have been, because it seemed to me that in my conversation on the phone with Colonel North, he mentioned that he would have Charlie Allen come to see me with some material that would explain what was going on.

Mr. **Eggleston**. As of this time, do you have any idea what it is, why there is a problem with [deleted] permitting this plane to land?

Mr. **Clarridge**. Well, I don't know—I think the cable traffic has it all, sort of spells it out step by step. There was a problem that it [deleted], and apparently some arrangements that Mr. McFarlane had made with the Foreign Minister or somebody had not jelled.

Mr. **Eggleston**. Let me ask you, Mr. Clarridge, if you could look at cable 1-7. Do you have that in front of you?

Mr. **Clarridge**. Right.

Mr. **Eggleston**. This is a cable also dated 22 November 1985. It is [deleted], which would have been [deleted] DC time?

Mr. **Clarridge**. Yes, that is correct.

Mr. **Eggleston**. And this is a cable from [deleted] to you; is that correct?

Mr. **Clarridge**. That is correct.

Mr. **Eggleston**. Let me read to you from the first paragraph—it says, "At 1603 hours local, Copp," which is Secord, "advised that [deleted] the Ministry of Foreign Affairs in principle opposed clearance and would recommend same to Minister."

Then if you go down to paragraph 2, it reads: "Copp called back again while I was writing this message. I advised him above. He called White House and recommended authorization for [deleted]," [deleted] to pull Minister out of cabinet meeting. He said McFarlane was being pulled out of meeting with Pope. He said my instructions were to pull out all stops."

[Deleted.] As of the day that these messages are taking place, do you yet have any knowledge, have you been told what it is that is on the aircraft?

Mr. **Clarridge**. I cannot recall specifically when I was told that there were sophisticated oil-drilling spare parts on the aircraft. I don't know whether it was by this time or later on in the day.

Mr. **Eggleston**. You think sometime on November 22d you were told that the content of the airplanes was oil-drilling equipment?

Mr. **Clarridge**. That is what I think is quite possible.

Mr. **Eggleston**. I know you were asked this in the depostion. I take it, it is your testimony that you were not informed that it is something other than spare parts for the oil-drilling industry until substantially later, maybe as late as January, 1986.

Mr. **Clarridge**. I think, as I said in the deposition, Charlie Allen tells me that by the 26th or 27th, he would have showed me some [deleted] reports that would have indicated to me that the equipment shipped in on the 25th was in fact weapons or munitions or whatever.

Mr. **Eggleston**. But the information that you are relating to us is information that you received from Charlie Allen [deleted], not as a result of anything that Colonel North or anyone else would have told you?

Mr. **Clarridge**. Not at that point, to my recollection.

Mr. **Eggleston**. When is the first that you believe Colonel North indicated to you if ever that there was something other than oil-drilling equipment onboard the flight?

Mr. **Clarridge**. Well, he has stated that he told me sometime around the 25th, 26th, 27th, I believe. He may well have done that, but I don't specifically recollect it. Maybe he did and maybe he didn't.

The thing is that perhaps I knew by the 27th when Charlie Allen showed me [deleted] and when he told me or when I asked him, it just didn't make that big an impression on me.

Mr. **Eggleston**. Your testimony in your deposition was fairly clear that you did not know shortly after the flight that these flights contained weapons and you certainly had no recollection of Colonel North telling you prior, I think you said, to maybe as late as January 1986——

Mr. **Clarridge**. I didn't say anything about Colonel North telling me in January 1986. I said that I offically learned in January 1986, that there were HAWK missiles onboard. I also stated in my deposition that I was——Charlie Allen says that he showed me material at least by the 26th that would have indicated that there were at least weapons onboard.

Mr. **Eggleston**. Do you recall Charlie Allen showing you that material?

Mr. **Clarridge**. I remember Charlie Allen showing me material all the way along. I don't specifically remember him showing me material where it mentioned weapons.

Mr. **Eggleston**. And you do not have this recollection either before or after the flight; is that fair?

Mr. **Clarridge**. When you say "before," you mean when he first came to see me on the 22d?

Mr. **Eggleston**. Yes, sir.

Mr. **Clarridge**. That is right.

Mr. **Eggleston**. And indeed, you do not recall now that Charlie Allen showed you [deleted] after the flight which indicated they were weapons; is that correct?

Mr. **Clarridge**. That is right.

Mr. **Eggleston**. So your testimony is based on something that Charlie Allen has told you subsequently?

Mr. **Clarridge**. That is correct.

Mr. **Eggleston**. When do you, sir, first have it in your head through a recollection of your own that you knew that there was something other than oil-drilling equipment on the flight?

Mr. **Clarridge**. When I remember being told officially that there were HAWK missiles onboard was some time in January. That is what I recollect.

Mr. **Eggleston**. Do you know who told you that in January?

Mr. **Clarridge**. No, I don't. But I know it had something to do with the time that the Finding was being put together.

Mr. **Eggleston**. Mr. Clarridge, throughout November 22d, you also continue or begin to arrange not just a landing clearance for a flight coming in [deleted], but you begin to arrange a—clearances for flights going from [deleted] into Iran and you become involved in getting the [deleted] involved to get an overflight clearance [deleted], do you recall that?

Mr. **Clarridge**. That is correct. I do remember that. There are two parts to that, actually.

Mr. **Eggleston**. OK. I will make you or ask you to refer, if you could, to cable no. 1–12. I am not going to read from it, but it might be helpful for you to have it right in front of you.

Do you have that?

Mr. **Clarridge**. Right.

Mr. **Eggleston**. This is, I take it, the first cable or appears to be the first cable you have sent to [deleted]. The beginning of it indicates that you are communicating to [deleted] that this is an initiative that has the highest levels of U.S. Government interest; is that correct?

Mr. **Clarridge**. That is correct.

Mr. **Eggleston**. And the rest of that cable goes on to discuss the need for three overflight clearances for this flight, which is going to Iran; is that correct?

Mr. **Clarridge**. That is correct.

Mr. **Eggleston**. As of November 22, I take it, you know that there is a flight going from Israel into [deleted], you know or believe that it is going to be broken down into at least three flights and fly from [deleted] into Iran, you know that it relates to the hostages in some fashion, you know—and you also believe that—it is your understanding as of that time that the cargo onboard is oil-drilling equipment; is that a fair summary of the state of your knowledge as best you recall it today as of November 22d?

Mr. **Clarridge**. Yes. It depends on—yes. I think basically it is, Mr. Eggleston. We are talking about day, time, [deleted] minus five is [deleted] on the 22d. Now, I don't—as I said, there are two parts to the request of communicating with [deleted] as far as overflight clearances. Apparently the first one on—or the first requirement was that because the El Al 747 had to abort, and went back to Tel Aviv, there was an effort made in Tel Aviv to redo the flight in a different form. And again, apparently they wanted to use [deleted] as the breakpoint on the flight into Tehran.

So that is one part of [deleted] thing. I don't know if that is what is going on right now. The second part of the need for the overflight from [deleted] was when the decision was taken not to use [deleted] anymore and to go from Tel Aviv through some other country to Tehran.

Mr. **Eggleston**. Right. Let me get to that in a second.

I think we are going to see some cables late in the day, at least Zulu time, November 23d, that indicate there is a decision made not to pursue the initiative through [deleted].

Let me just ask you, though, once again, because I am not sure I quite understand this, as of the 22d then, you know there is an initiative underway that has very high level U.S. Government interest. You believe that it involves what appears to be an ordinary cargo plane carrying spares for the oil industry. We have just reviewed a cable where despite the fact that there is high-level pressure involving Mr. McFarlane pressuring high-level people in the [deleted] that [deleted] have made a decision, at least tentative and initial, not to permit this plane carrying oil-drilling equipment to land [deleted].

What is it that you think is causing as of this time, as of November 22d, what is it you thought was causing all the problems with [deleted]?

Mr. **Clarridge**. Well, I mean I haven't gone through this to look at that particular point, but to the best of my recollection, there was still a problem of getting the right authority in [deleted] to agree to the flight coming in.

It seemed to be that—whatever arrangement had been made before was not working and an effort was underway to try to get McFarlane to contact whoever he had talked to before to get things loosened up.

Mr. **Eggleston**. My question, Mr. Clarridge, is what is it about this operation that you even thought required such a high level of interest and attention at both the U.S. Government and [deleted] level. After all, all we are talking about in your mind as of this time is a landing of a single flight containing nothing but ordinary routine cargo.

What did you think in your mind was causing the [deleted] to balk over the landing of an ordinary cargo plane?

Mr. CLARRIDGE. Well, at some point, and it becomes clearer in the traffic as you go along, they wanted a diplomatic note stating why we wanted to do this. Now, that may have been the problem at the time.

Mr. EGGLESTON. Do you recall that one of the things that they wanted in the diplomatic note as well was an indication of what the nature of the cargo was?

Mr. CLARRIDGE. Yes. I see that in the traffic coming in [deleted]. They also wanted, in a second diplomatic note, a statement that was unacceptable to the White House.

Mr. EGGLESTON. And do you recall what that statement was?

Mr. CLARRIDGE. It had—there were two parts to the second note and the second part was a statement that what was going on here was an arrangement to get the hostages out, and the White House was unwilling to have that statement made.

Mr. EGGLESTON. Mr. Clarridge, let me ask you now, not directed to this initiative perhaps as much as perhaps just generally, is it fair to say that weapons require special handling on aircraft and airports? Do they require a different kind of handling than other forms of nonlethal cargo?

Mr. CLARRIDGE. I am not an expert, but I suppose so. Certainly munitions do.

Mr. EGGLESTON. Munitions would?

Mr. CLARRIDGE. Yes.

Mr. EGGLESTON. You now know what was contained on these flights was going to be HAWK missiles which I understand are highly explosive. Would it be fair to say that HAWK missiles would require different kinds of storage and handling and loading and unloading and other types of facilities at the [deleted] airport than oil-drilling equipment would have required in terms of handling on the scene?

Mr. CLARRIDGE. Well, again, I mean—I don't know that much about it. It sounds right to me.

Mr. EGGLESTON. Sounds logical?

Mr. CLARRIDGE. Yes.

Mr. EGGLESTON. Indeed, although this has not been made available to you and if you want to challenge it, you can, Mr. Secord testified in a deposition before this committee that, indeed, there was simply no way in which you could possibly unload these flights, load them into other planes in [deleted] airport without [deleted] and a number of other people knowing perfectly well what was in the flight because, after all, as he indicated, all sorts of special handling would be required.

Mr. CLARRIDGE. Well——

Mr. EGGLESTON. Did it occur to you at any time, Mr. Clarridge, that the difficulty with this flight, the reason that [deleted] was objecting to the landing of this flight, was because of something about the nature of the cargo?

Mr. CLARRIDGE. Well, I can't say for sure whether it did or it didn't. I can't recall back then. But I don't recall thinking that it had something to do particularly with the cargo. What I felt was, the problem was that whatever arrangements had been made and because of the issue involved of the hostages and the requirements that [deleted] might have had in that regard, that that was what the problem was.

Mr. EGGLESTON. But it never occurred to you that the reason that they were objecting to the landing of this otherwise perfectly ordinary cargo flight was because there was something about the nature of the cargo that was causing the problem?

Mr. CLARRIDGE. Well, it is not exactly, you know, perfectly ordinary cargo. The United States had an embargo on oil-drilling equipment at that time, and maybe [deleted] considered that sensitive. But frankly, Mr. Eggleston, I cannot remember—and maybe I did think through some things at the time, but I cannot recall now sitting down trying to figure out why [deleted] wouldn't let the cargo in. All I was trying to do was get the goddamned cargo in.

Mr. EGGLESTON. And send a number of cables back and forth to that effect. Let me move this forward, if I could.

On November 23d, which would have been a Saturday, the cables indicate and continue to reflect efforts to get the flight clearances into [deleted] and then the overflight clearances from [deleted] over [deleted] into Iran.

Let me ask you to look, if you could, to cable 1-19.

This is a cable from [deleted] dated November 23d at [deleted] Zulu, which would have been late morning on Saturday, November 23d, DC time; is that correct?

Mr. CLARRIDGE. No. It would be fairly early. About [deleted] in the morning.

Mr. EGGLESTON. OK. Let me ask you to look—direct your attention to the bottom of the first paragraph—excuse me. The second paragraph. It is a little hard to read because of the photocopying. Let me read it to you anyway.

> At 1130 hours chargé went to Ministry of Foreign Affairs and met with [deleted] and [deleted]. They stated they needed note because note would confirm that U.S. Government really involved as they had had doubts. Chargé presented note. They agreed to meet and advise decision soonest.

Move down to paragraph 3 where it says, "[deleted] met with Copp in brief car meeting at 1130 hours. Coordinate action and brief each other."

The final thing I want to direct your attention to is paragraph four which indicates [deleted] are concerned, [deleted].

Do you recall seeing this cable when it came in?

Mr. CLARRIDGE. Yes, I do.

Mr. EGGLESTON. And let me ask you first about [deleted]. [Deleted] is a [deleted] company that is an arms company. By this time, by November of 1985, you had been Chief of Europe for approximately a little over a year, year and a month, maybe; is that correct?

Mr. CLARRIDGE. Yes, that would be about right.

Mr. EGGLESTON. Was the name [deleted] familiar to you?

Mr. CLARRIDGE. No, it wasn't.

Mr. EGGLESTON. It had not, as they seem to say in the CIA, come across your scope during the time that you were Chief of the European Division?

Mr. CLARRIDGE. No. I can't remember it. It may have, but I can't remember it. [Deleted] arms company is not a particularly big deal.

Mr. EGGLESTON. This was, as I understand it, at least a fairly major arms dealer, exporting company, in Europe. Nevertheless, this was not something that you know anything about?

Mr. CLARRIDGE. No. I mean, you have got to remember, Mr. Eggleston, the European Division is the biggest division in the Directorate of Operations. There are an enormous number of things going on at any given time. The fact of the gray arms trade was not particularly a big issue that the European Division of the Directorate of Operations was concerned with, frankly.

Mr. EGGLESTON. I might say, as well, Mr. Clarridge, you don't need to look at it, but paragraph 5, of this cable to which I have directed your attention is the cable where [deleted] are indicating that they would like a formal diplomatic note indicating the origin and destination of the flight, the equipment, U.S. commitment that operation not be made public and airports other than [deleted] but in [deleted] that are being used.

This is a situation now where things are escalating that [deleted] now wants a very formal diplomatic note setting forth the outlines and just exactly what is happening with regard to this cargo flight flying into [deleted]; is that correct?

Mr. CLARRIDGE. That is correct. Then they asked for a second note.

Mr. EGGLESTON. And they ask for a second?

You, I think, have been advised by now, Mr. Clarridge, that the reference in the paragraph 3 to which I directed you about [deleted] meeting with Copp in a car, you have probably been advised that [deleted] has indicated that as of that time, at least, Mr. Secord instructs him or tells him specifically that the flight is going to contain HAWK missiles and that HAWK missiles are going to be shipped in return for the release of the American hostages.

You are aware that [deleted] has testified to that effect, are you not?

Mr. CLARRIDGE. Yes, I am.

Mr. EGGLESTON. And I am certain you are also aware [deleted] indicated that he sent the cable which is 1-19 and that he also sent a subsequent cable shortly thereafter which dealt only with that conversation in the car with Mr. Secord. That is something you are aware of, that he has testified to that; is that fair?

Mr. CLARRIDGE. Yes. That's fair.

Mr. EGGLESTON. Mr. Clarridge, let me just review for you in light of the testimony that [deleted] knew what was going to be in the flight. Let me just review with you if I could who it was who knew that this flight was going to contain weapons as opposed to oil-drilling equipment as of midday on November 23.

And let me just analyze it in terms of the problem that had arisen. The problem was [deleted] was balking over landing rights. The person who brought you the problem, Colonel North, he obviously knew and he's testified here before us that he knew that the flight was going to contain oil—excuse me, HAWKs and not oil-drilling equipment.

The person that you were principally directing to solve Colonel North's problem, [deleted], has testified that as of this date, he knew that there were weapons going to be on the flight.

We have received deposition testimony from [deleted], who was also part of the solution to this problem that he knew that there were going to be weapons on the flight.

[Deleted] has told us as well that [deleted] knew there were going to be weapons on the flight. [Deleted] testified that that was what the problem was. [Deleted] didn't want to be seen as transporting weapons to Iran without a diplomatic note from the United States telling them that they could do that because they didn't want to be left holding the bag in case this initiative fell apart.

Mr. **Clarridge**. That was the first instance. It's clear the requirement for the second note was the note that made everything fall through.

Mr. **Eggleston**. What is it, you understand is the difference between the two notes?

Mr. **Clarridge**. Well, as is clear in reading this material over that in the—the first note, that was delivered by the Embassy to the Foreign Ministry, or whomever, contained all of the required information that is spelled out in here that [deleted] were asking for. Now clearly they must have told [deleted] what was on the aircraft, because that is what [deleted] asked for.

Mr. **Eggleston**. Is it your understanding that they told [deleted] the aircraft was going to contain weapons?

Mr. **Clarridge**. I don't know that. I have never been told that. I just heard it from what you said these other people said. But it is interesting that that note must have satisfied [deleted]. Then there came a requirement for the second note and the second note, the White House refused to mention anything about hostages and the whole thing came a cropper.

Mr. **Eggleston**. Correct. But my point was [deleted] is one of the actors in this.

Mr. **Clarridge**. That is right.

Mr. **Eggleston**. [Deleted] is essentially the problem. They know there are going to be weapons on the plane?

Mr. **Clarridge**. That is right. They did, if you look at this traffic. The note they asked for, they asked for what's on board. They must have been satisfied with the answer which they got.

Mr. **Eggleston**. OK. But they knew weapons were going to be on the flight?

Mr. **Clarridge**. If that is what you tell me, yes. I can see this, they must have.

Mr. **Eggleston**. The person who gave you the problem knew. The person you gave the problem to solve knew. The person who was helping, [deleted], knew. [Deleted] knew. But you did not know?

Mr. **Clarridge**. That is the way is was.

Mr. **Eggleston**. Let me ask you about this conversation with Charlie Allen. Have you had any opportunity to review [deleted] Charlie Allen showed you on November 22d prior to testifying or since that time?

Mr. **Clarridge**. First of all—the answer to your question is no. The other part of it is that I wouldn't even recall what ones he gave me, and I'm not so sure that he could remember what he gave me on the 22d.

**Mr. Eggleston.** Do you recall that he was—appeared at your door—you didn't summon him; is that fair?

**Mr. Clarridge.** No. I did not.

**Mr. Eggleston.** He appeared at your door [deleted]. Do you recall him telling you that he had come at the request of Colonel North?

**Mr. Clarridge.** No. I don't remember that specifically. I think Colonel North said to me that he was going to send Charlie Allen to me. I never met Charlie Allen before.

**Mr. Eggleston.** This was the first time you met Charlie Allen?

**Mr. Clarridge.** Yes.

**Mr. Eggleston.** Just so the record is clear, who is or was Charlie Allen?

**Mr. Clarridge.** Charlie Allen is and was the National Intelligence Officer for Counterterrorism.

**Mr. Eggleston.** He currently works for you?

**Mr. Clarridge.** No, he does not.

**Mr. Eggleston.** He currently works in the counterterrorism area and you work in that area?

**Mr. Clarridge.** Yes. When [deleted] was set up, he was sort of sent to us but still retained his hat as the National Intelligence Officer for Counterterrorism. Those hats have now been separated and he is now strictly the National Intelligence Officer for Counterterrorism reporting to the Director.

**Mr. Eggleston.** It's your testimony that you don't recollect anything [deleted] that you saw that dealt with arms?

**Mr. Clarridge.** No, I do not.

**Mr. Eggleston.** Mr. Clarridge, let me focus in for a second, as I suppose you expected me to, on the cable that [deleted] has indicated that he sent to headquarters. It's his testimony that he sent two cables and the reason he sent the second one is that he wanted the conversation that he had had with General Secord to be highlighted and it was very important that he send it in a second cable. I take it it's your testimony you never saw at anytime such a cable?

**Mr. Clarridge.** I cannot recollect ever seeing such a cable.

**Mr. Eggleston.** And indeed you can be a little stronger than that I take it, because if you had seen such a cable, I am certain you would have remembered.

**Mr. Clarridge.** Yes. I think I said that in my deposition.

**Mr. Eggleston.** Let me just advise you that the committees have done a substantial amount of investigation into that cable which [deleted] has claimed that he sent. He's obviously testified that he sent the cable. [Deleted] has testified either that he saw the cable or was advised at or about the time by [deleted] such a cable was sent. In addition, we have conducted a deposition of the senior CIA communicator [deleted] who recalls at or about this time receiving a cable—excuse me, seeing a cable that dealt with HAWK missiles and Iran. Were you aware of the testimony we had received from the communicator? Am I telling you this for the first time?

**Mr. Clarridge.** No. I had heard—I didn't know specifically what he had said, but I had heard that you had received it.

**Mr. Eggleston.** Indeed he testified that he specifically remembers it I think because a friend of his had been a hostage in Iran and he was outraged that this kind of operation would be going forward. So he has a very vivid recollection of having seen that cable.

There seems to be fairly convincing evidence that such a cable might have been sent. I take it it is your position that you don't know whether one was sent or not sent, but you do know that you never saw it?

Mr. CLARRIDGE. Correct. That is also the position of the Deputy Director for Operations and the people in his office who would also have received copies of that cable.

Mr. EGGLESTON. The committee has also done a study in trying to collect all of the cables that were sent out [deleted] on the afternoon of November 23. They are in your book. You don't need to look at it. We have pretty much collected all of them sent on the afternoon of November 23d, including some that are just personnel-related. And there are two cables that are simply missing and we have been advised by the Office of Legislative Liaison that those cables are simply not available within the Central Intelligence Agency.

Have you heard that?

Mr. CLARRIDGE. Well, no, I hadn't heard that specifically.

Mr. EGGLESTON. So in any event, we are left with a situation where two cables are simply unfindable from the afternoon of November 23, that were sent out [deleted]. No explanation?

Mr. CLARRIDGE. Well, I'm not an expert on how the cable traffic operates in our system. But I understand that there are people who are, who are prepared to come and talk to you about how it works and the efforts the Agency has made to find those cables.

Mr. EGGLESTON. OK. I think they would testify their efforts to find the cables have been prodigious but they have been unable to locate them despite looking in a lot of different places.

Mr. Clarridge, if you could look at exhibit 1-29?

This is the cable from the evening of November 23d that indicates that the operation going through [deleted] is now terminated, and you are not going to proceed with that; is that correct?

Mr. CLARRIDGE. That is correct.

Mr. EGGLESTON. And the operation then continues, however, onto the 24th because by this time you are looking for a new place through which to transport the weapons—excuse me, the cargo; and indeed, you continue to need overflight clearances over [deleted] for the flights into Iran. Is that correct?

Mr. CLARRIDGE. You are talking about the cable that just goes on from here. Yes. Correct.

Mr. EGGLESTON. And exhibit no. 1-33 is a cable from [deleted] to you. If you look at paragraph 4(a) there is an indication that [deleted] is cabling you that [deleted] needs to know what is going to be in the aircraft. And just quickly, if you look at 1-37, you are responding that the aircraft is going to contain sophisticated spare parts for the oil industry.

Mr. CLARRIDGE. You understand here that two things were going on at the same time. The aircraft in Tel Aviv was also filing flight plans on its own through normal—the normal commercial process in which it was at sometime saying it was going to carry machinery and sometimes saying it was going to be carrying medical supplies and whatever. That was creating a lot of confusion within the clearance system.

As we go along that was why we had to clarify on several occasions for [deleted] specifically what we were carrying.

Mr. **Eggleston**. In fact, is you look at cable 1-49, this is a cable that is actually sent after the flight had landed in Iran. And the bottom of the second paragraph indicates there is confusion over exactly what is in the flight. Your [deleted] had told [deleted] this was oil industry spare parts. The telex from the carrier stated it was medical supplies. And the pilot of the plane, the person who was actually flying the plane, told the ground controllers he was carrying military equipment.

Now did it alarm you at all that the pilot of the aircraft is the person who—the person who obviously is closest to whatever it was that was inside the plane, did it alarm you at all that he is the one who was indicating that it was military equipment, when you believed it was something other than military equipment?

Mr. **Clarridge**. Well, alarm may be too strong a word. Obviously I was interested in clarifying the matter.

Mr. **Eggleston**. If you just look at 1-52, this is the cable you sent back a couple of hours later and in paragraph 3, you indicate again that the cargo was spares for the oil industry and you cannot understand why it is the pilot thinks he's carrying military equipment.

Mr. Clarridge, you, of course, are here in Washington and the pilot is over there with cargo. Do you recall if you took any steps between the first cable I showed you and this cable to verify for yourself what it was that was inside the plane prior to the time you cabled back to [deleted] that he should make a representation to [deleted] that the pilot was in error and it was actually spares for the oil industry?

Mr. **Clarridge**. Well, I can't recollect specifically doing so, but from the tone of my language here, it sounds to me like I must have.

Mr. **Eggleston**. Do you have any recollection of what it was that you would have—it seems to me that you probably did as well? Because you are now learning specifically in a cable that the pilot said it was military equipment. Do you have any recollection what it was that you did?

Mr. **Clarridge**. No, I don't have any specific. But I assume I probably talked to Colonel North because he was the fellow who had told me in the first instance there was oil-drilling equipment on there. I can't recall making a telephone call per se.

Mr. **Eggleston**. I take it there wouldn't have been anyone else other than Colonel North whom you could have called to find out what was in it?

Mr. **Clarridge**. No.

Mr. **Eggleston**. If you talked to anybody on the morning of November 25th to determine what it was, you would have spoken to Colonel North?

Mr. **Clarridge**. Yes.

Mr. **Eggleston**. On November 25th, did there come a time when you spoke to Mr. McMahon?

Mr. **Clarridge**. Yes. In the evening. Or he called me.

Mr. **Eggleston**. Did he ask you to come to his office?

Mr. **Clarridge**. No, he didn't.

Mr. **Eggleston**. So it was not a face-to-face conversation? It was a telephone conversation?

Mr. **Clarridge**. Very brief telephone conversation.

Mr. **Eggleston**. Was the conversation about this flight that had taken place?

Mr. **Clarridge**. He mentioned simply on the phone that he had learned of the flight and the use of our proprietary, and he said to me that it didn't make much difference as far as he could see whether they were oil-drilling spare parts or it was gunpowder or weapons or whatever, that a Finding might be necessary. And that was the total sum of the conversation.

Mr. **Eggleston**. You have a recollection then of him saying something about he didn't care what it was, whether it was oil-drilling spare parts?

Mr. **Clarridge**. He also mentioned that in either case, they would be embargoed items.

Mr. **Eggleston**. Did you have any conversation with him about where he had gotten the notion that there could possibly have been weapons onboard?

Mr. **Clarridge**. I did not.

Mr. **Eggleston**. You had not heard, I take it, other than this cable from the—that reflected what the pilots had said, it is your testimony that you hadn't heard that it was anything other than oil-drilling equipment?

Mr. **Clarridge**. I had not.

Mr. **Eggleston**. Did you correct him as you corrected [deleted] earlier in the day that it was not oil-drilling equipment?

Mr. **Clarridge**. I don't recall whether I did or didn't.

Mr. **Eggleston**. You indicated earlier that you have some familiarity with the testimony of Colonel North on the issue of the state of your knowledge. It is in front of you as exhibit 6A. I think there is one tab that has both 6A and 6B.

I'm going to ask you to look at 6–A. Directing your attention to page 42, line 921 on to page 43, line 925——

Mr. **Clarridge**. This is where I actually, I think the testimony here is incorrect. The final reason for not allowing the plane to land had nothing to do with what was onboard that aircraft. It was the failure of the second note to state that the reason for this whole operation was to free hostages. Whatever that meant.

Mr. **Eggleston**. Is it fair to characterize his testimony as saying that he had told you as best he recalled by the time you spoke to Mr. McMahon, he had confirmed to you that there were weapons and not oil-drilling equipment onboard the flight?

Mr. **Clarridge**. I'll have to read the whole thing here.

No, I don't think that is necessarily true from what he said here. He says at some point, he remembers telling me.

Mr. **Eggleston**. If you look at page 43, line 947, through 952, it says, question by Mr. Nields: "But I take it you are saying it was very close in time to when the shipment was actually sent and your best recollection is that it is prior to the time the Deputy Director hit the roof, so to speak."

"Mr. North: Yes. My recollection is that is why he hit the roof."

I take it Mr. McMahon hit the roof when he found out there had been the flight?

Mr. **Clarridge**. He didn't with me.

Mr. **Eggleston**. Is it your testimony that you were unaware that Mr. McMahon had become upset when he learned that the flight——

Mr. **Clarridge**. That is correct. He had a very moderate conversation with me and he had always had in every conversation, he certainly did not hit the roof with me and I've given you to the best of my recollection the statement that he made at that time.

I don't recall that I corrected him on whether they were spare parts or weapons or whatever.

Mr. **Eggleston**. It is Colonel North's testimony that he believed that by the time you spoke to Mr. McMahon, he had advised you that it was HAWK missiles and not oil equipment?

Mr. **Clarridge**. Fine.

Mr. **Eggleston**. It is your testimony, I take it, that that is inaccurate?

Mr. **Clarridge**. I don't know whether it is inaccurate. I don't remember specifically when and if he told me that there were HAWK missiles on that particular aircraft or whether I asked him. I simply don't know. Just like if you look at one of his notes in the notebook here, it again doesn't make any sense whatsoever in connection with all of this.

Mr. **Eggleston**. Do you have a particular note in mind?

Mr. **Clarridge**. It is one of these—I guess it is out of his notebooks. I don't know whether we have those here. It is where he says something about "this is criminal."

Mr. **Eggleston**. Please look at exhibit 5-23.

Mr. **Clarridge**. OK. Yes. It says "Call from Clarridge." Now, it says "summoned in by Clair and McMahon." If he's talking about me being summoned in, I never was summoned in. If he's saying that he was telling me that he was summoned in, I don't know whether he was or he wasn't but I can tell you, I never was.

Then "this is criminal," and I don't understand this one, "total agency was freight-forwarded by Dewey."

Mr. **Eggleston**. The last line essentially describes what your view of the Agency's position was, isn't it, that you were acting as courier——

Mr. **Clarridge**. I never said that. That is Mr. Juchniewicz's position. I never said when we were asked for a charter airline and the final decision was to use the proprietary, that the Agency was simply throwing business to our proprietary; I've never said that.

Mr. **Eggleston**. Let me ask you a few questions about 5-23. It appears to say 26 October. I'll represent to you that this was received by us in a series of other notes which would lead to the inference that he has mislabeled this and it should be 26 November 1985, the ones in front and behind it both say November. I think the conclusion is that he simply put the wrong month.

Do you recall speaking to Colonel North in the early-morning hours on November 26th about what had taken place?

Mr. **Clarridge**. I don't remember whether I did or didn't, but I specifically don't remember this telephone call and it is inaccurate.

Mr. **Eggleston**. Did you have a conversation on the 25th or the 26th with both Mr. McMahon and Clair George?

Mr. **Clarridge**. No, I did not. There was one point when Ambassador [deleted] sent a message in to the DCI asking whether he should continue efforts to get [deleted] flight clearances, and I wrote a message and took it to McMahon to sign off on as the acting director.

I'm not sure Mr. George was in town on 26 November, if this is the date of this particular thing.

Mr. **Eggleston**. But in any event, to "this is criminal," this reference purports to relate a conversation that you had with Colonel North about the conduct that had taken place in the previous couple of days, you don't recall any such conversation with Colonel North taking place?

Mr. **Clarridge**. No, and I was never summoned by Clair George or McMahon to any meeting.

Mr. **Eggleston**. Mr. Clarridge, after the flight lands on the 25th, there is a Finding as a result of McMahon learning about this. I'm sure you've heard now that there was a Finding prepared and sent to Admiral Poindexter. You may have heard Poindexter's testimony that it was actually signed on December 5th and subsequently destroyed by Admiral Poindexter.

Did you know that the Finding first was being prepared?

Mr. **Clarridge**. No, I did not.

Mr. **Eggleston**. You knew that Mr. McMahon had objected to the flight that had taken place over the weekend because there had not been a Finding?

Mr. **Clarridge**. That is not what I said. What he said was he called me up and he said that he didn't think that it mattered much whether there was oil-drilling spare parts or weapons onboard that flight; both items were embargoed and that we might need a Finding.

Mr. **Eggleston**. Then you certainly recognized that he had a concern that a Finding might be required?

Mr. **Clarridge**. Yes, I did.

Mr. **Eggleston**. Did you know that he had consulted with the general counsel, Stanley Sporkin, about whether or not a Finding was required?

Mr. **Clarridge**. No, I had nothing to do with that or no knowledge.

Mr. **Eggleston**. Did you have further conversations with Mr. McMahon about whether or not he had gone ahead and sought to have a Finding?

Mr. **Clarridge**. No, I did not.

Mr. **Eggleston**. So between November 6th and when you left town December 5th, you continued to send cables arranging for landing rights, overflight clearances, but you do not know at that time whether there had been a Finding or whether there had been a decision that a Finding had to take place?

Mr. **Clarridge**. That is correct, and supposedly the people superior to me getting the cable traffic are not telling me to cease, must have a reason to tell me to continue on.

Mr. EGGLESTON. Please look at 1-78, another cable. Paragraph one reads as follows: "As I said"—this is a cable from yourself to [deleted].

Mr. CLARRIDGE. And [deleted].

Mr. EGGLESTON. And [deleted]. [Deleted], I take it, was going to be the backup place once [deleted] fell through?

Mr. CLARRIDGE. No. After [deleted] got upset with the use [deleted] as the break point, we made arrangements with [deleted] to make [deleted] the break point.

Mr. EGGLESTON. Is that to say the flight was going to go from Israel to [deleted] to Iran?

Mr. CLARRIDGE. Yes, because the Iranians didn't want the flight to go from Tel Aviv directly.

Mr. EGGLESTON. Paragraph one says, "As I said in previous message"—and the "I" here is you—"this operation is still on. However, at this point I do not think we'll be ready for our second sortie until probably early next week. FYIO, whatever was supposed to happen after the first sortie did not happen and we're regrouping." What do you recall it was that you thought was supposed to happen after the first sortie that did not happen?

Mr. CLARRIDGE. I don't recall specifically, and—but I can guess now.

Mr. EGGLESTON. I take it your guess now would be that the hostages weren't released?

Mr. CLARRIDGE. Yes.

Mr. EGGLESTON. Do you know whether you knew that at the time?

Mr. CLARRIDGE. I'm sorry, I can't say.

Mr. EGGLESTON. That was a cable which was on the 27th of November, 1985; the last cable I want to ask you about is DRC-1-80, dated December 3, 1985, from you to [deleted] and [deleted] again. "We're still regrouping, key meeting of principals will take place this weekend with earliest possible aircraft deployment sometime mid to late week of 8 December."

What did you know about what was going on with the mission at this time?

Mr. CLARRIDGE. Well, I don't know, but I think it was when I talked with you at the deposition, you told me there was a high-level meeting, an NSPG meeting or something on 5 December. I may have known that but I can't recall knowing it.

Mr. EGGLESTON. Do you have a recollection today of what you knew about this operation on December 3d?

Mr. CLARRIDGE. Well, you know, what I knew on December 3d—you know, presumably I knew that it was a hostage deal, that the deal had been more than that, at least the conception more of a strategic initiative to Iran. This had already come up in conversations.

Presumably I knew by this time that there were weapons onboard, or at least surmised it from material that had been given me or maybe that was what I was told. And that there was an effort to continue the initiative to get the hostages out and this might require four more sorties of aircraft.

Mr. EGGLESTON. Containing weapons?

Mr. CLARRIDGE. Well, yes, maybe I knew that, maybe I didn't.

Mr. EGGLESTON. Mr. Clarridge, I'm getting a little confused about just what you knew at various points. I thought you had indicated that you didn't have any recollection of Mr. Allen showing you [deleted] shortly after the flight took place and that you didn't learn officially that there were weapons onboard until January, 1986.

Are you now testifying that you think that you did know by December 3, 1985, that there were weapons onboard the flights?

Mr. CLARRIDGE. What I'm saying is that I'm told by Charlie Allen that he showed me material that would have indicated to me that there were weapons onboard, and it may well be that I discussed that with Colonel North and Colonel North or Colonel North discussed it with me.

What I have said before and I'll say again, the only thing I can recollect knowing is when I was officially told sometime in connection with the January 17 Finding that weapons had been onboard and that weapons were involved in this whole transaction.

I'm not saying that I didn't know before January, but that is when I can specifically remember it.

Mr. EGGLESTON. You have indicated that you had a conversation with Mr. Allen about [deleted], that he showed you subsequent to this flight and you have testified that it is your recollection that it is his testimony or his conversation with you that he told you shortly after the flight that there were weapons onboard on the basis of his analysis [deleted]?

Mr. CLARRIDGE. No, he says that he's sure that he showed me material that would have indicated to me—I had read it. He says I read it—that there were weapons onboard the flight.

Mr. EGGLESTON. So he says that he showed it to you. He says you read it and he says if you read it, you would have concluded there were weapons onboard?

Mr. CLARRIDGE. That is right.

Mr. EGGLESTON. And you don't remember?

Mr. CLARRIDGE. I don't remember specifically.

Mr. EGGLESTON. Have you had a conversation with Mr. Allen [deleted] that he showed you on the morning of November 22d before the flight, did you have a similar conversation with him [deleted]?

Mr. CLARRIDGE. Not that I recall.

Mr. EGGLESTON. So he has not told you that he showed you [deleted] before the flight which you read from which you could conclude that weapons were involved in this hostage deal?

Mr. CLARRIDGE. He has not.

Mr. EGGLESTON. Mr. Clarridge, could you take a look at exhibit 9? Do you have that? I am almost out of the Iranian phase.

Mr. CLARRIDGE. You want me to read this whole thing?

Mr. EGGLESTON. I will direct you to particular sections of it. You are mentioned specifically on the last page, the second-to-last paragraph.

Mr. CLARRIDGE. Yes, I recall this. This is the famous statement, "Dewey and I have been through the whole concept twice"——

Mr. EGGLESTON. This is a PROF note which the committee members have now seen repeatedly, dated December 4, 1985, a note from North to Poindexter. I am not suggesting that you saw this note at or about the time that it took place, but it is a note that in some detail outlines what had taken place in the weekend of November, 1985, extensive and explicit discussions about weapons.

On the second-to-last page, near the top, there is a timetable for delivery of weapons and exchange for hostages and on the last page, about the middle, it says "Dewey is the only other person fully witting of this entire plan. Copp, even General Secord is not briefed [deleted], although he suspects. The Israelis are in the same position. Dewey and I have been through the whole concept twice, looking for holes, and can find little that can be done to improve it, given the trust factor with the Iranians."

Mr. CLARRIDGE. Then it goes on to say some other things.

Mr. EGGLESTON. Do you want me to keep reading?

Mr. CLARRIDGE. "I have not confided in Dewey the longer term goals," et cetera.

Mr. EGGLESTON. Do you recall the conversation with Colonel North?

Mr. CLARRIDGE. I do not.

Mr. EGGLESTON. I take it, it is your testimony that if you had such a conversation, which would have been in such detail outlining the initiative and the proposed plans, you certainly would not have forgotten it?

Mr. CLARRIDGE. Was the date on this thing?

Mr. EGGLESTON. December 4th.

Mr. CLARRIDGE. Let me make a couple of points here. Number one is this initiative was not being run by European Division, and subsequently after the 17 January Finding was run by the Near East Division. I would not have been the appropriate person for North to have discussed this with in the first place.

The second point I would like to make is that on occasion North had a tendency to use my name with McFarlane and Poindexter because if I said it was a good idea, then they tended to think it was a good idea.

Mr. EGGLESTON. So after you stopped sending these cables back and forth in December of 1985, you were not involved again, I take it, according to your testimony, until September or so of 1986?

Mr. CLARRIDGE. In actually doing something. I was familiar with what was going on because Charlie Allen sat two offices from me, and George Cave, who didn't have a desk, often sat at his desk and would come in and talk to me on occasion about what was going on, but I was not officially involved, no.

Mr. EGGLESTON. Did you continue to have conversations with Colonel North about the operation?

Mr. CLARRIDGE. I am sure I did, but I can't recall them.

Mr. EGGLESTON. Did you consult and plan with him?

Mr. CLARRIDGE. No, I did not.

Mr. EGGLESTON. Did you know Admiral Poindexter?

Mr. CLARRIDGE. Yes, I did.

Mr. EGGLESTON. Did you speak to him on occasion on the phone?

Mr. CLARRIDGE. No, I can't recall that.

Mr. EGGLESTON. Did you attend meetings on occasion with him?

Mr. CLARRIDGE. In the past, yes.

Mr. EGGLESTON. Similarly, Mr. McFarlane is someone you had some familiarity and dealings with?

Mr. CLARRIDGE. Correct.

Mr. **Eggleston**. If Colonel North in this PROF note to Mr. Poindexter has indicated not just tangentially the fact that he has in detail reviewed this particular operation with you, wasn't there some danger that if this is not a truthful statement by Mr. North, he could get caught the next time you met with Admiral Poindexter?

Mr. **Clarridge**. That is quite possible.

Mr. **Eggleston**. But it is your testimony that this note in the PROF note is incorrect?

Mr. **Clarridge**. It is incorrect. If all he was saying, but sort of embellishing it a bit, was that he had been through it on the methodology of getting flights from Tel Aviv through [deleted] to Tehran with me; that was discussed.

Mr. **Eggleston**. But that is not how you read the line?

Mr. **Clarridge**. No, it seems to be implying that this whole grand scheme was checked out with me, which was not true.

Mr. **Eggleston**. If you could look at exhibit 15——

Mr. **Clarridge**. What——

Mr. **Eggleston**. Fifteen.

This is a document dated January 24, 1986. It has been called a notional time line document. Page 1 of this document reads, and it is a memorandum from North to Poindexter, "To my knowledge, the only persons completely cognizant of this schedule are" and under the CIA witnesses, you are listed. The schedule listed is a very detailed schedule that details flights coming, flights going, weapons, all sorts of stuff.

I take it, it is your testimony, that this is erroneous?

Mr. **Clarridge**. I never saw this, and I don't think I was even in the country at the time, and if I was in the country, I was in the process of writing the document that became [deleted], and so, therefore, wouldn't have been involved anyway.

I would like to make one other point. As this operation began to take its new form after the 17 January Finding, Colonel North wanted me very much to be involved, and that didn't turn out the way it happened. But his intention was to get me involved, but the operation was run on a different way.

Mr. **Eggleston**. It was run instead, I take it, through the Near East Division?

Mr. **Clarridge**. Correct.

Mr. **Eggleston**. And not through [deleted]?

Mr. **Clarridge**. That is correct.

Mr. **Eggleston**. But his indication in the memorandum to Admiral Poindexter that you were completely cognizant of the schedule, which is a very detailed schedule, that is inaccurate?

Mr. **Clarridge**. No, I wasn't.

Mr. **Eggleston**. If you could look at exhibit 16—the second paragraph, it is a memorandum from North to Poindexter, dated May 22, 1986. It indicates "The following people will have copies of this time table, Clair George, Dewey Clarridge and Bob Earl." It seems to indicate that you were one of three people who will have copies of a timetable, again with regard to flights that were going to take place in late May of 1986. Did you have this timetable?

Mr. **Clarridge**. This is the first time I have seen this.

Mr. **Eggleston**. You certainly didn't have it in May, 1986?

**Mr. Clarridge.** No. Was this ever sent anywhere by the NSC? I see, it was just going to Poindexter.

**Mr. Eggleston.** The memorandum was just going to Poindexter, but it indicates——

**Mr. Clarridge.** That this attachment—OK, yes. The operational plan I guess was sent there—do you know whether it was ever sent to anybody?

**Mr. Eggleston.** Well, I guess the more relevant question is, did you ever get an operational plan, this one or any other one, in May of 1986?

**Mr. Clarridge.** Not to my recollection.

**Mr. Eggleston.** So to the extent that this indicates that you were continually to be involved in the planning of this operation, that is not accurate?

**Mr. Clarridge.** That was not true. The only time I came near being involved was when [deleted], Chief of the Near East Division, went on a trip somewhere, and he asked me to oversee his efforts in getting the logistics of this whole thing put together.

**Mr. Eggleston.** Mr. Clarridge, I don't have any more questions about the Iranian initiative. I want to ask you some questions about your prior job, which is during a period of time that you were [deleted] of the LA Division. I take it you have testified that in August of 1981, you became [deleted] of LA?

**Mr. Clarridge.** That is correct.

**Mr. Eggleston.** And one of your jobs as [deleted] of the LA Division was, among others, was to be ultimately responsible, whatever, for the Contra program, is that correct?

**Mr. Clarridge.** That is correct.

**Mr. Eggleston.** And that was a program that was funded through Congress up until the time of the Boland Amendment and operated under a covert action?

**Mr. Clarridge.** You mean up until 1 October 1984?

**Mr. Eggleston.** Yes, sir.

**Mr. Clarridge.** Right.

**Mr. Eggleston.** And the funds for the program begin to runout in the spring of 1984?

**Mr. Clarridge.** Yes, certainly by May.

**Mr. Eggleston.** They were pretty much gone by May?

**Mr. Clarridge.** No, because we had a program to phase them out in early August.

**Mr. Eggleston.** But by that time, you knew there was going to be a problem with the funding?

**Mr. Clarridge.** Certainly.

**Mr. Eggleston.** Is it fair to say that the funding and where the Contras were going to get money from were going to be a problem?

**Mr. Clarridge.** I am sorry.

**Mr. Eggleston.** Is it fair to say that where the Contras were going to get money in order to sustain themselves in the field militarily and everything, that became a source of concern in the Agency?

**Mr. Clarridge.** I think that is put a little too strongly. I think within the Agency, and that really involved myself and the Director and in the interagency group, there was still the hope that the President would be able to pull it off and that the Congress would vote the money. The effort, as I recall it, from, if you want to say from late spring through the summer, was focused on that particular effort.

Now, there was discussion about, you know, where could you possibly get other funds from, and there were frankly not very many good ideas.

Mr. EGGLESTON. Mr. Clarridge, you will recall in your deposition, you were asked a series of questions about a trip you took [deleted]——

Mr. CLARRIDGE. Correct.

Mr. EGGLESTON. —In April, 1984, and you were asked questions about whether there were discussions with [deleted] about providing assistance to the Contras. Do you recall being asked those questions in the deposition?

Mr. CLARRIDGE. That is right, and I would also like to state that prior to giving that deposition, I did not have an opportunity to review the cable traffic which led up to my trip out [deleted].

Mr. EGGLESTON. Mr. Clarridge, could you take a look at exhibit 18, which is your deposition, excerpts from your deposition? Let me just reference a few sections of this.

[Deleted.]

Page 123, line 11, "Question: Do you recall any discussion with officials of [deleted] Government about [deleted] providing assistance to the Contras?

"Answer: No."

And if you could just look at page 130, a question by Mr. Barbadoro, Deputy Chief Counsel for the Senate Select Committee, at line 13, "Question: Picking up on what Mr. Eggleston is asking you about, at any point [deleted] the Latin American Division were you aware of any discussions in the Agency about soliciting aid from third countries?

"Answer: No."

Then, 131, line three, the question is: "During that period of time, to your knowledge, were there any discussions in the CIA about soliciting aid from third countries?

"Answer: No."

Mr. Clarridge, if you were asked those questions today, would you answer them differently?

Mr. CLARRIDGE. Yes, I would, based on the review of the cable traffic prior to my going out, but I think that cable traffic also needs to be clarified, because I'm not so sure the answer was soliciting. My reading of that cable traffic is that at least the Agency thought something was being offered.

Mr. EGGLESTON. Well, let me ask you to look at exhibit 19–4.

This is a memorandum from Mr. Casey to Mr. McFarlane dated 27 March 1984. This would have been shortly before your trip to [deleted]; is that correct?

Mr. CLARRIDGE. Yes. I don't know exactly when I went. I went in April.

Mr. EGGLESTON. I seem to remember somewhere it is around the 10th through the 13th.

Mr. CLARRIDGE. Yes.

Mr. EGGLESTON. Paragraph 1 says "In view of possible difficulties in obtaining supplemental appropriations to carry out Nicaraguan covert action project through the remainder of this year, I am in full agreement you should explore funding alternatives with [deleted] and perhaps others."

The rest of that paragraph in paragraph 2, deals with [deleted]. Paragraph 3, says, "The second alternative we are exploring is the procurement of [deleted]." There is a name deleted which is apparently [deleted]—"has indicated he may be able to make some equipment and training available"—I think it says "to the Contras, [deleted]."

This would indicate that the CIA is itself exploring the possibility of obtaining assistance through [deleted]; is that a fair summary of this?

Mr. CLARRIDGE. Well, that's what this states, but I don't think the facts are exactly—were exactly that way.

Mr. EGGLESTON. So is it your testimony that this memorandum from the DCI, Casey, to Mr. McFarlane is not an accurate memorandum?

Mr. CLARRIDGE. As far as my knowledge.

Mr. EGGLESTON. What is your explanation of—or your discussion of the events that took place?

Mr. CLARRIDGE. Well——

Mr. EGGLESTON. What is the distinction you are drawing between the facts as you know them and the facts as they are represented in this memorandum, and I guess in the cables?

Mr. CLARRIDGE. Well, from my reading of the traffic, after I gave my deposition on this, what I see happening, and it would start, I think, in January when [deleted] official came over to this country.

Mr. EGGLESTON. January of 1984?

Mr. CLARRIDGE. Was it January?

In January 1984, came over to this country [deleted] and met with the Director. Now at that meeting or at the end of that meeting, I was called up to it and asked afterwards to give him a briefing on the Central American situation. What it looked like on the ground. I had done that also the year before. Now then there begins a cable exchange in which it appears that [deleted] had offered something in terms of—or was prepared to offer training and equipment. I cannot say whether the Director of CIA solicited that [deleted] or whether he offered it. But then as we—as that traffic goes along, there is a key cable, which I would refer you to, which is [deleted], which states very clearly what [deleted] discussion with [deleted] as to what at least [deleted] understood would be the form of assistance at that time.

And—you must have this cable here.

Mr. EGGLESTON. I don't know it by that number.

Mr. CLARRIDGE. What it talks about, if I may say, is bilateral arrangements between [deleted] and [deleted]. All right?

Mr. EGGLESTON. I'm asking someone to find it for me. Let me just ask you, did you have any conversations directly with [deleted] about—I'm not using the word soliciting. About them providing assistance to the Contras?

Mr. CLARRIDGE. No. The only thing they raised with us, and that's why I think this cable is significant, because I think there was a misunderstanding within our building throughout, is [deleted] said that they had had a request from [deleted]—for assistance and [deleted] said they will have to pay for it. And I said to him at that time, there isn't any [deleted] with any money to pay for it.

Mr. EGGLESTON. Let me ask you my question over again. Did you have any of these conversations directly with individuals in [deleted] about assistance? I'm not asking about solicitation or payment.

Mr. CLARRIDGE. No.

Mr. EGGLESTON. Did you have conversations with them about that?

Mr. CLARRIDGE. No.

Mr. EGGLESTON. You had no conversations whatsoever with them?

Mr. CLARRIDGE. No.

Mr. EGGLESTON. You were aware, however, that the conversations were taking place inside the building with regard to whether or not [deleted] would provide this assistance to the Contras?

Mr. CLARRIDGE. I don't think that is correct. At least to my knowledge it wasn't. I don't remember any conservations where there were people involved in the building discussing whether they could get help from [deleted] or anybody else.

Now that may have been going on, but they weren't going on in my presence.

I was aware that there was "an offer" from [deleted] which turned out not to be an offer.

Mr. EGGLESTON. Well, could you take a look at exhibit 19-2?

Do you have that?

Mr. CLARRIDGE. Right.

Mr. EGGLESTON. A cable dated 23d March 1984. It would have been about a week before the memorandum that we just—to which we just discussed. The upper right-hand corner seems to indicate a copy of this cable went to [deleted], that's handwritten on this cable. That's you, I take it?

Mr. CLARRIDGE. No. I wrote it.

Mr. EGGLESTON. That's your handwriting?

Mr. CLARRIDGE. No. It's not my handwriting, but the cable says from [deleted].

Mr. EGGLESTON. This cable is a cable you drafted?

Mr. CLARRIDGE. Correct.

Mr. EGGLESTON. There are a lot of code names in this. Let me just take you through it. "During a meeting with [deleted]——"

Mr. CLARRIDGE. That's with the DCI.

Mr. EGGLESTON. Mr. Casey?

Mr. CLARRIDGE. Right.

Mr. EGGLESTON. —"on March 23d on the Nicaraguan project, I mentioned to him [deleted]?"

Mr. CLARRIDGE. Yes.

Mr. EGGLESTON. —"comments to you in reference A."

Reference A is an earlier cable.

"He suggested that I send a cable to [deleted]"—that's McMahon?

Mr. CLARRIDGE. Correct.

Mr. EGGLESTON. —"asking him to meet with [deleted] regarding possible support."

This entire cable is labeled Subject: [Deleted] Assistance to Nicaraguan Project.

Doesn't this reflect a conversation that you had with Director Casey about [deleted] assistance to the Nicaraguan Project?

Mr. CLARRIDGE. About a cable which was sent in, I believe, by [deleted] where [deleted] appeared to have made an offer. That's why I think it is important—you have to get the reference.

Mr. EGGLESTON. I think the cable is exhibit 19-1. You may want to check that yourself. Or it might just be 19. I'm sorry. It's exhibit no. 19.

This is the first cable in the series?

Mr. CLARRIDGE. I don't know. We have them here. It's the first cable in your series.

Mr. EGGLESTON. OK. This is a cable from [deleted] to the Director dated March 8, 1984. It makes a reference to various dinners and makes a reference to the possibility of your visiting, and about half way down, it says "On the latter"—which is a reference to your potential visit, and you at the time were [deleted] the Latin American Division, the [deleted] official mentioned that he was optimistic of positive support. It's a little hard to read. It appears to say "to past requests if [deleted] comes here."

Are the past requests past requests by the Agency for assistance to the Contras?

Mr. CLARRIDGE. Must have been. Must have been.

Mr. EGGLESTON. Doesn't that imply that the Agency had made past requests for assistance to the Contras?

Mr. CLARRIDGE. Certainly does. It does more than imply.

Mr. EGGLESTON. Wouldn't you derive from this that there had been a past solicitation from the Agency for assistance to the Contras?

Mr. CLARRIDGE. well, I can't really tell this from this, but, you know.

Mr. EGGLESTON. There are a whole slew of those cables and don't they all deal with discussions between [deleted] and the Agency within the Agency about whether or not they should accept these—the assistance from [deleted] for the Contras, for the Nicaraguan Contras?

Mr. CLARRIDGE. That's why I refer you to [deleted] where it is clarified by [deleted] what they are talking about, which is they are not talking about anything.

Mr. EGGLESTON. But you would agree with me this first cable seems to indicate there have been past requests and this entire series of cables is arising in the context of [deleted] now responding to past requests by the Agency for assistance to the Contras; is that fair?

Mr. CLARRIDGE. It appears to say that.

Mr. EGGLESTON. Are you referring—you keep directing my attention to a cable. Are you referring to 19-3?

Mr. CLARRIDGE. Yes.

Mr. EGGLESTON. Paragraph 1—the second half of paragraph 1 is the reference to which you have been directing my attention; is that correct?

Mr. CLARRIDGE. Right.

Mr. EGGLESTON. It reads as follows: [deleted] "foresees these being undertaken on direct basis between [deleted] involved, with [deleted]"—that's the CIA?

Mr. **Clarridge.** Right.

Mr. **Eggleston.** —"offering behind the scenes advice of where to plug in and what assistance would be truly useful. However [deleted] remains open to suggestions for other approaches."

Isn't this just an explanation of how the assistance is going to be provided? This isn't an explanation of who is soliciting the aid? It's an explanation of how it's going to get there?

Mr. **Clarridge.** Mr. Eggleston, it became very clear when I went to [deleted] that [deleted] were not offering assistance to the Nicaraguan Resistance. Now if they had offered it to the Director or somebody else before, maybe, but I don't know that. But when I got to [deleted], neither asked for any assistance, they did not offer any assistance to the Nicaraguan Democratic Resistance.

What they said, which seemed to track with what [deleted] finally got out of them in this particular cable, is that they had been—they had had a request to them from [deleted] which they refused to identify that wanted assistance from [deleted]. [Deleted] was thinking about providing this assistance, but it would have to be paid for, which, as I said before, I mentioned to [deleted] that there wasn't any [deleted] with any money that wasn't tied up in—by some other legislation here in the United States that would be available to pay [deleted] for whatever they might give them.

Mr. **Eggleston.** Mr. Clarridge, is it your recollection that all these cables and all this discussion relates to a cash deal between the Contras and [deleted]?

Mr. **Clarridge.** No. Nothing to do with a cash deal between [deleted] and the Contras.

Mr. **Eggleston.** I am just not—I guess I am not understanding you. You indicated that this initiative all dealt with [deleted] being willing to provide to [deleted] weapons that [deleted] would pay for?

Mr. **Clarridge.** Didn't even know for sure whether it was weapons, backpacks, shoes, or whatever. What I am saying to you, Mr. Eggleston, is that I think there was a misunderstanding or there was a change in [deleted] position from January 1984 until you begin to see this particular cable I have drawn your attention to and the time when I arrived in [deleted].

Mr. **Eggleston.** Well——

Mr. **Clarridge.** That there was apparently the Director, at least, believed that [deleted] were prepared to offer some assistance to the Nicaraguan Resistance. And at a certain point in time, apparently [deleted] thought so also. It became very clear, however, by the time this cable arrived in Washington that what we were talking about was no longer an offer by [deleted] to the Nicaraguan Resistance. It was that they were prepared to enter into a bilateral relationship between two sovereign governments. And that was certainly reinforced by the time I got to [deleted]. More than that, more than that, the Director had already decided prior to any trip to [deleted], after I think consultation with Secretary Shultz, that even if [deleted] offered anything, we would not accept it.

Mr. **Cohen.** Mr. Chairman, could the counsel inquire about the exhibit 19-4?

Mr. **Eggleston.** I think I asked a few questions about 19-4 at the very beginning of this line of questioning.

Mr. **Cohen.** Paragraph 3?

Mr. EGGLESTON. Yes. I asked him about that. I have been struggling since then.

Nineteen-four was the memorandum from Casey to McFarlane?

Mr. CLARRIDGE. Which I never saw until one of these depositions.

Mr. EGGLESTON. And this is the memorandum, and, indeed, this memorandum takes place kind of in the middle of this first series of cables prior to your trip and it indicates at least Mr. Casey believes that you were exploring an alternative of the procurement of assistance to the Contras from [deleted]?

Mr. CLARRIDGE. That is what I have said, that I think that he believed that and whether he believed it on the basis of something he was told by [deleted] or what, I cannot say.

Mr. EGGLESTON. Mr. Clarridge, look at 19-5.

First sentence, this is a cable actually from [deleted], I guess, indicates you got a copy of it. "[Deleted] has now secured the necessary endorsements to proceed with the discussions on [deleted] assistance in Central America."

Again, the subject of this cable, the subject: [Deleted] Assistance to Nicaraguan Project. This is only a couple of days after the memorandum which is exhibit 19-4.

Doesn't this indicate that you have now received the endorsements to proceed with discussions with [deleted] about providing assistance, about [deleted] providing assistance to the Contras?

Mr. CLARRIDGE. No. Because—I mean, if everybody wrote cables perfectly accurately, all the time, I would agree with you. But just because [deleted] who hasn't got a clue about what was going on in Central America happens to subject his cable, support to the Nicaraguan project doesn't mean anything. It was certainly clear by the time [deleted] was received that what [deleted] were talking about was a bilateral, sovereign nation to sovereign nation assistance.

Mr. EGGLESTON. What was the second sovereign nation?

Mr. CLARRIDGE. They never told us. We only guessed that it could be possibly two countries most likely.

Mr. EGGLESTON. So what you are telling me is that none of these cables have anything to do with the Contras?

Mr. CLARRIDGE. I didn't say that. I am saying there was a belief at a certain point in time that [deleted] had—were offering assistance to the Nicaraguan Resistance. Before I ever went out to [deleted], it was very clear that that isn't what they were talking about. And when I got out there, that became patently clear.

Mr. EGGLESTON. Look at 19-7, will you? This is from [deleted] to the Director. Paragraph one says that [deleted] welcomed [deleted] visit, that is you, and opines he should be able to come up with a "modest but reasonable amount of equipment, plus a good bilateral [deleted] training program in short order."

Again, this cable is labeled, subject: [Deleted] Assistance to the Nicaraguan Project. Doesn't this cable indicate that [deleted] are going to provide equipment and a training program in connection with [deleted]—excuse me, with the Nicaraguan project?

Mr. CLARRIDGE. Let me try at something that is not the best way to do business, but people tend to copy the heads on the cables that they are receiving. You will notice that in the cable you have just referred me to that Director 894326 is referenced by [deleted]. And now if you go to 894326, and look at the subject line, it is [deleted] assistance to Nicaraguan project.

Many of us are like lemmings, we just follow what was said before. So you cannot read into subject lines and all of this, that that necessarily meant support to the Nicaraguan project.

Mr. **Eggleston**. Mr. Clarridge, let me ask you to direct your attention to 19-18, which is the very last cable. It is a cable drafted by you. You do not have the same subject heading.

It is dated 11 May 1984. It is after you have returned from the trip. The prior cables indicate that there is an additional discussion. Going back—going on after you get back about whether or not we should permit this assistance to take place. This cable reads as follows: "Current furor here over the Nicaraguan project urges that we postpone taking [deleted] up on their offer of assistance."

This is you writing a cable deciding not to go forward with assistance, and you are referring to the furor over the Nicaraguan project?

Mr. **Clarridge**. That is right.

Mr. **Eggleston**. Is it your testimony that this assistance had nothing to do with the Nicaraguan project?

Mr. **Clarridge**. Yes. And I will explain why. The furor was the mining. So it was a big hullabaloo going on about that.

And a decision was made—not mine—may have been an interagency decision or it may have been Casey's decision, that we didn't want to be—or we could not be seen, the administration could not be seen as being beholden to [deleted] in any way.

In this case, we didn't even want [deleted] mucking around in providing bilateral assistance [deleted]. And that is what this says.

Because in the end that is all they were offering. If they got paid for it.

Mr. **Eggleston**. Mr. Clarridge, is it your testimony that this cable is calling off a deal between [deleted] that we were otherwise uninvolved in?

Mr. **Clarridge**. There was no deal.

Mr. **Eggleston**. Let me make sure I understand this. Is it your testimony that [deleted] were going to provide assistance to the Contras [deleted]?

Mr. **Clarridge**. No, never came up.

Mr. **Eggleston**. So it is your position that these entire series of cables have nothing to do with [deleted] providing assistance to the Contras?

Mr. **Clarridge**. No. I didn't say that. I said that in the beginning there was apparently an impression that the Director had and maybe others, maybe even myself, I can't recall, that [deleted] in January 1984 were prepared to offer something to the Nicarguan Resistance. It became very clear as time went by that that was not the case.

Mr. **Eggleston**. Let me just summarize so I make sure I understand. At the time this initiative began—and I think you said it began—initiative may be the wrong word—that it began in January of 1984. There were discussions involving [deleted] and various people about [deleted] and the Contras. That is how you indicated the whole thing started?

Mr. **Clarridge**. No.

**Mr. EGGLESTON.** There was a briefing of them on the situation in Central America?

**Mr. CLARRIDGE.** Excuse me. What I said was that there was a meeting between the Director, [deleted], and I assumed [deleted] was present in the Director's office. I don't know what they were talking about. I was called up there and the Director asked me to give [deleted], a briefing on what was going on on the ground in Central America.

OK? That is all I know.

**Mr. EGGLESTON.** And it is your testimony then that the beginning cables in this series are erroneous because someone has gotten the misimpression that [deleted] want to provide assistance to the Contras? You go to [deleted], find out that isn't true.

**Mr. CLARRIDGE.** We knew that before I went to [deleted].

**Mr. EGGLESTON.** And all of these cables then are not dealing with [deleted]. All these cables sometime during the middle of the initiative are not actually dealing with [deleted] assistance to the Contras?

**Mr. CLARRIDGE.** That is correct. But we were—and maybe we were under a mistaken impression from the beginning that [deleted] were offering assistance to the Contras or perhaps in the intervening period, [deleted] changed their mind.

**Mr. EGGLESTON.** And it is your testimony that the reason that the CIA decides not to proceed with this has nothing to do with the fact that [deleted] are interested in providing assistance to the Contras and you don't want to mix up those [deleted] in the same operation? That is not what this had to do with?

**Mr. CLARRIDGE.** Yes. I think the final cable here that you just drew my attention to reflects the fact that because of the furor over the Nicaraguan project and the mining, the administration or the interagency group, or whomever, decided that it wouldn't be a good idea to have [deleted] mucking around in Central America even on bilateral relations, in giving any kind of assistance down there.

**Mr. EGGLESTON.** What was the name of the country to which [deleted] were going to send the aid?

**Mr. CLARRIDGE.** They refused to tell us, and we only guessed it was probably [deleted]. But that was a guess.

Chairman **HAMILTON.** We will take a 10-minute recess.

[Recess.]

Chairman **HAMILTON.** The joint committees will resume, and Mr. Eggleston.

**Mr. EGGLESTON.** Thank you, Mr. Chairman.

Mr. Clarridge, I'm within a couple of minutes of being done. I just want to ask you, because I think maybe my questions got imprecise or something, could you restate for me again what it was that you think these cables are about and what occurred that gave the impression to someone that these cables were about assistance to the Contras from [deleted], and what is it that led you to conclude that that is not ultimately what [deleted] were interested in?

**Mr. CLARRIDGE.** The way I read this cable traffic and the way I remember it, somebody in the Agency, I think, at least the Director, took away from that January meeting with [deleted] that they were offering assistance to the Democratic Resistance. Some of that cable traffic coming in from [deleted] after that meeting, after [deleted] had gone back, continued that far, that we were talking about [deleted] support for the Democratic Resistance.

However, by the time you get to [deleted], it is very clear that they are not talking about that, and then after I went to [deleted], it became abundantly clear that they were not talking about assistance to the Nicaraguan Resistance.

Moreover, a decision had been taken before I went to [deleted] that we would neither ask for any assistance nor would we accept any assistance from [deleted] to the Democratic Resistance, and that was reinforced in a cable that was sent to me out there.

Mr. EGGLESTON. Cable no. [deleted] is a cable dated March 24, 1984. This is the cable that you claim makes it clear that [deleted] are not interested in assisting the Contras?

Mr. CLARRIDGE. It tells here what they are—it states here what they are prepared to do.

Mr. EGGLESTON. And what it states is that they are prepared to provide training and equipment? And your explanation——

Mr. CLARRIDGE. Just a minute. It says they are prepared to provide training and equipment. He foresees these being undertaken on a direct basis between [deleted] involved with CIA offering behind-the-scenes advice, I guess, on where to plug in and what assistance would be truly useful.

Mr. EGGLESTON. But it is your testimony that CIA did not know what [deleted] they were talking about?

Mr. CLARRIDGE. I cannot speak for [deleted], whether he knew. All I know is that when I got to [deleted] and this issue came up and they raised it in the same context they were talking about one country or two countries, and we never could figure out what they were and they wouldn't tell us. We guessed that it was [deleted]. It could have been [deleted].

Mr. EGGLESTON. But it is your testimony that that assistance was only going to go to those countries, not to the Contras?

Mr. CLARRIDGE. That is what I was told.

Mr. EGGLESTON. And when 3 days later Mr. Casey sends a memo to Mr. McFarlane indicating that the CIA is exploring the possibility of obtaining assistance to the Contras from [deleted], that is just erroneous?

Mr. CLARRIDGE. It would seem so. Before I even made my trip, a decision was taken that we would not ask or, if offered, would not accept assistance from [deleted] for the Nicaraguan Democratic Resistance.

Mr. EGGLESTON. Mr. Clarridge, I started this by asking you questions about your deposition testimony. One thing is plain from this discussion, that there were enormous discussions early on within the Agency about third-country assistance.

Mr. CLARRIDGE. That is not correct, to my knowledge, Mr. Eggleston. There were not enormous discussions. In fact, I can hardly recall any discussions that you could label as serious discussions except for this [deleted] business.

Furthermore, there were not any real serious discussions within the RIG about whether there might be third-country assistance.

Mr. EGGLESTON. Exhibit 19-2 specifically refers to a conversation that you had with the Director about assistance for the Nicaraguan project and that is what led up to the rest of the cables and your trip, correct?

**Mr. Clarridge.** The one where he asked me to send the cable to McMahon?

**Mr. Eggleston.** Yes.

**Mr. Clarridge.** Yes, he still thought that was the case.

**Mr. Eggleston.** So you had discussions about assistance to the Nicaraguan project as of that time and you were asked in your deposition whether there were discussions——

**Mr. Clarridge.** I simply did not recall at the time.

**Mr. Eggleston.** Had you forgotten this entire incident?

**Mr. Clarridge.** Yes, I had. I didn't remember any of this cable traffic. All I knew, and as I so deposed is that when I went out to [deleted], I did not ask for any assistance. I wasn't offered any assistance.

Futhermore, a decision had been taken that we would not ask or receive. I had not had a chance to review this cable traffic, and I'm sorry I can't remember it. For you, all these events may take on an enormity that they certainly don't for somebody who's working on this thing day to day. That is just the way it is.

**Mr. Eggleston.** So as of the time of your deposition, it is your testimony you had simply forgotten this incident?

**Mr. Clarridge.** Correct.

**Mr. Eggleston.** Mr. Chairman, I have no further questions.

Chairman **Hamilton.** Mr. Buck.

**Mr. Buck.** Good morning, Mr. Clarridge.

**Mr. Clarridge.** Good morning.

**Mr. Buck.** Let's put some things in context here. You have been asked a lot of questions about your memory on certain detailed events. How long ago did the HAWK shipment occur?

**Mr. Clarridge.** In November, 1985.

**Mr. Buck.** Around 20-months ago?

**Mr. Clarridge.** Yes.

**Mr. Buck.** Were you concerned about other projects during this time?

**Mr. Clarridge.** Oh, yes, many. That I guess is the point I was trying to make a little bit before, that is because of this particular subject that everybody is talking about here, these seem to be large events. That particular operation was a nickel-and-dime thing. I was doing probably 20 other things on the given days that I was also trying to get clearances. This was no particularly big thing in my experience.

**Mr. Buck.** Approximately how long ago was your visit to [deleted]?

**Mr. Clarridge.** The [deleted] visit was in April, 1984, so that is over 3 years ago.

**Mr. Buck.** And again, you have been asked questions about your deposition, your testimony about [deleted]. Did you have the opportunity to review the cables concerning [deleted] before your deposition?

**Mr. Clarridge.** No, I did not and I simply did not do it, and I had forgotten that such cable traffic existed.

**Mr. Buck.** OK. I would like to put something—some testimony that was read to you earlier in context, Colonel North's testimony.

You were told, I believe, that it was North's testimony that he told you that the cargo was weapons before the Deputy Director hit the roof. I would like you to look at lines 937 through 946—let me find the exhibit number here. I believe it is exhibit 6, page 43 of exhibit 6.

Mr. **Clarridge**. 6-A and B, yes.

Mr. **Buck**. This would be 6-A.

Mr. **Clarridge**. Yes, page 43. What line are you speaking about, please?

Mr. **Buck**. I'll read lines 937 through 943.

> Question by Mr. Nields: "In other words, you are saying that you told Mr. Clarridge what the real cargo was prior to the time the Deputy Director got angry and insisted on a Finding."
>
> Answer by North: "I'm not saying that for sure. I'm saying that is the way it may well have happened. I do recall, although I do not recall the time and date, confirming to Mr. Clarridge when asked, the cargo is not oil-drilling equipment; the cargo is HAWKs. OK. Now, I cannot tell you, Mr. Nields, here at this point, a good while after the fact, when that point was."

Is this also your recollection?

Mr. **Clarridge**. That is right. And I think I've already stated that today. It may have been, as he said, after McMahon hit the roof. I didn't know McMahon hit the roof. But anyway, I cannot recall specifically.

Mr. **Buck**. Do you have any recollection of when North told you or confirmed to you that the November shipment contained weapons?

Mr. **Clarridge**. I can only give you a guess, and that is if Charlie Allen is correct that he showed me [deleted] sometime around the 26th, that clearly indicated that at least weapons had gone into Iran, then I'm quite sure that I very likely said something to North, asked him a question. I don't know whether I asked him on the 26th or the 27th or whenever. I can't say.

Mr. **Buck**. I would like to read you another part of Colonel North's transcript that he stated during these public hearings which isn't in the exhibit book. Do you have Colonel North's testimony there?

Mr. **Clarridge**. Yes.

Mr. **Buck**. Page 183 of that testimony—line 4109.

> Mr. **Nields**. And then it says, "cargo must be listed as machine parts, spares for oil industry."
>
> Mr. **North**. Right.
>
> Mr. **Nields**. That is Mr. Clarridge telling you?
>
> Mr. **North**. Again, I told you that I had originally dissembled with the Agency. In my initial contacts with the Israelis we had agreed that we would call these machine parts for the oil fields or whatever, that we specifically talked about when in my discussions with the Israelis way back on the 17th or 18th that was the agreement we had come to.
>
> So I had told people at the CIA that.
>
> Mr. **Nields**. I understand that.
>
> Mr. **North**. You are asking me if I by now had told Mr. Clarridge the truth about what is on the cargo and I cannot tell you, counsel, whether it was that I apprised him of it.

Mr. **Buck**. Mr. North used the word "dissembled" with the Agency and later on states that he doesn't know when he told the Agency the truth. What is "dissembled"?

Mr. **Clarridge**. Well, dissemble is to not tell the truth.

Mr. **Buck**. Is that your recollection?

Mr. **Clarridge**. Yes. But I think this incident here, if anybody is interested in what we are talking about here, is not quite like it appears. What was going on at the time was the problem with the aircraft in [deleted] just had come in from Tel Aviv. As I have said before today the aircraft was attempting to obtain various clearances using the normal commercial airline method during which it variously described its cargo as machinery, medical stores, et cetera, which was confusing the whole clearance process. What I was telling North here was they have got to describe the cargo as to what it is. They can't keep talking about medical equipment and machinery.

Mr. **Buck**. Which American Government official was primarily responsible for the management of the November shipment of HAWK parts to Iran?

Mr. **Clarridge**. I am not sure I understand the question. The shipment of HAWK parts—do you mean of——

Mr. **Buck**. What I am trying to determine here is whether the operation was being run out of the CIA or out of the NSC.

Mr. **Clarridge**. I think it was going on in two places.

Mr. **Buck**. Was the CIA's role more one of being a facilitator or did you have operational control over the operation?

Mr. **Clarridge**. No. We were simply facilitators, in the first instance for the clearances and in the second in providing an airline.

Mr. **Buck**. At any time from November 21, 1985 to November 27, 1985, did you have a need to know what the aircraft was carrying?

Mr. **Clarridge**. No, I didn't, frankly.

Mr. **Buck**. What was your function during that period of time?

Mr. **Clarridge**. I was simply facilitating in two areas, one—well actually clearance procedures involving several countries and in arranging for the aircraft once the decision had been made to use the proprietary and even there I had a very small role.

Mr. **Buck**. I would like to read a section from your deposition, Mr. Clarridge, which I believe was just handed to you, on page 49. I am sorry, page 49, not in the exhibit book. Line 2.

> *Question:* But you don't remember there came a time where North tells you that it is any missiles?
>
> Answer: I cannot say that.
>
> *Question:* Do you recall any discussion with him where you discussed with him the fact that it was—that he had told you that it was oil-drilling equipment but in fact it was not, that it was weapons?
>
> Answer: I just don't know whether we ever had a discussion of that or not.
>
> *Question:* Would it have upset you to have been lied to about the contents of the aircraft?
>
> Answer: Well, it was compartmentation, that is compartmentation, you have a need to know only so much.

Is that your testimony here today also?

Mr. **Clarridge**. Yes, that is correct on that issue.

Mr. **Buck**. During November of 1985 what was Ed Juchniewicz's position at the CIA?

Mr. **Clarridge**. He was the Associate Deputy Director for Operations.

Mr. **Buck**. And during that same time period John McMahon was the Deputy Director of Central Intelligence?

Mr. **Clarridge**. That is correct.

Mr. **Buck**. I would like to read a section of Mr. McMahon's deposition, exhibit 8. This is a conversation between Mr. Juchniewicz and Mr. McMahon Monday, November 25, 1985. On page 95 of that deposition. Starting with line 8.

> And then Monday morning I came in and he said hey, do you know what those guys did? And I said what guys? And he said Secord. Now that is the name I heard and I said what was that? And he said they used our proprietary to send over some oil supplies. And I said goddamn it, I told you not to get involved.

Is that your recollection also of Mr. McMahon's reaction?

Mr. **Clarridge**. No, because as I have stated here today, I had only a single conversation dealing with this issue and, as I have said, that was in the early evening I believe of November the 25th in which he said to me, he called me on the phone, wasn't agitated at all and talked about it doesn't make much difference what is on that aircraft, whether it is military supplies or oil-drilling parts, they are embargoed, and I think we may need a Finding.

Mr. **Buck**. As of Monday morning November 25, according to Mr. McMahon's deposition, he believes that they sent over some oil supplies. That is the point I wanted to make, and that is consistent with what you believed also?

Mr. **Clarridge**. Yes.

Mr. **Buck**. Do you remember a meeting at the Central Intelligence Agency which included Charles Allen, Colonel North, and yourself on Saturday, November 23, 1985?

Mr. **Clarridge**. I guess you could call it a meeting. They were sort of in and out all day long.

Mr. **Buck**. What representations did Colonel North make at that meeting concerning the cargo to be carried to Iran?

Mr. **Clarridge**. Certainly by Saturday it was oil-drilling spare parts. He may have even said that on Friday.

Mr. **Buck**. I would like you to turn to exhibit 7, and I would like to read you something from Charles Allen's deposition. Starting with page 161.

> *Question:* At what point was a representation made to you about the cargo to be carried by this aircraft, whosoever aircraft it might be?
>
> Mr. **Allen**: I can't recall specifically but Colonel North stated emphatically that this was oil-drilling equipment that was being sent into Iran. It was related to the meetings occurring in Geneva. I believe in my presence and Mr. Clarridge's he made a call to the Deputy National Security Adviser, at the time, Admiral Poindexter to get Admiral Poindexter's endorsement to proceed with this activity.
>
> *Question:* I am sorry, Admiral Poindexter or Mr. McFarlane?
>
> Answer: I think he may have called both. He made a number of calls while I was there.
>
> *Question:* Was Colonel North actually present and were you present when Colonel North actually said that this was oil-drilling equipment?
>
> Answer: Yes, I heard him say that.
>
> *Question:* You heard him say that?
>
> Answer: Yes, I will testify to that and I will testify again, I heard him say that.

Is that consistent with your recollection of those events?

Mr. **Clarridge**. Yes, although I can't say precisely whether it was on Saturday or on Friday.

Mr. **Buck**. Is it fair to say, Mr. Clarridge, that you suspected the November shipment to Iran may have contained something other than oil-drilling equipment and that you knew it contained weapons at some point between November 20th and November 27th, 1985?

Mr. CLARRIDGE. Yes.

Mr. BUCK. Did Colonel North, Admiral Poindexter, Director Casey, or Mr. McFarlane ever ask you to destroy or alter documents related to the Iranian initiative?

Mr. CLARRIDGE. Not at all.

Mr. BUCK. Did you ever discuss your testimony with any of those individuals in any way?

Mr. CLARRIDGE. No.

Mr. BUCK. This committee has several exhibits, several cables at exhibit 19 which were discussed with you earlier, discussing the possibility of a CIA approaching [deleted] to raise funds for the Contras. What were the reasons behind such a consideration?

Mr. CLARRIDGE. Well, I think it had to be that there was the fear that we might not have enough equipment as the money might run out towards the beginning of the summer, and so, looking around for possible support. But I think there was a broader issue than just that, that there had been from the beginning an interest not just in the CIA, but in the interagency forum to get as many other countries involved in supporting not just the Nicaraguan Resistance, but the Central American democracies in any way that we could.

And so I think it was more in that context.

Mr. BUCK. But you are clear, Mr. Clarridge, that it was an offer from [deleted]?

Mr. CLARRIDGE. All I can say is that it appears to have been an offer from [deleted] rather than a solicitation. I was not present when this conversation took place between—and I can only recall that the—Mr. Casey, [deleted], and I presume [deleted] but I can't even be sure he was present, but I would imagine he was there because that is usually the way it works.

Mr. BUCK. Thank you, Mr. Chairman.

Mr. Chairman, I have no further questions.

Chairman HAMILTON. We will begin now with the questions from the principal questioners. They will have 20 minutes of time.

Mr. Stokes is recognized.

Mr. STOKES. Thank you, Mr. Chairman.

Mr. Clarridge, if I understand you correctly, in talking with Mr. Eggleston this morning, you indicated that your testimony here today is different from your testimony in the deposition that was taken of you some time ago.

Mr. CLARRIDGE. I wouldn't say different, Mr. Stokes. I would say more fulsome, because I have had a chance to review the cable traffic which I had not reviewed prior to giving my deposition.

Mr. STOKES. On those parts then of the deposition where you have made it more fulsome, in the absence of your having read the cable traffic, I take it your testimony would be the same here today as it was in your deposition?

Mr. CLARRIDGE. That is correct.

Mr. STOKES. Is that correct?

Mr. CLARRIDGE. That is correct.

Mr. STOKES. So I think the record ought to also reflect the fact that at the time you were deposed, that the cable traffic was also not available to this committee, is that a fair statement?

Mr. CLARRIDGE. Yes.

Mr. STOKES. Let me ask you this: You mentioned a little earlier that at the time you went to [deleted] you already knew that [deleted] were not offering aid; is that correct?

Mr. CLARRIDGE. Aid to whom?

Mr. STOKES. To the Nicaraguan Resistance. The Contras. To whomever.

Mr. CLARRIDGE. What became very clear shortly before I went out to [deleted] is that they—[deleted] were talking about assistance with [deleted] not with the Nicaraguan Resistance. That proved, indeed, to be the point when I arrived out there.

Mr. STOKES. What was your purpose as [deleted] Latin American Division to go to [deleted]?

Mr. CLARRIDGE. Well, actually, there were three purposes, probably. One of them was Casey wanted me to go out there and brief [deleted] on Central America, and that never turned out to happen out there. [Deleted].

Mr. STOKES. Now, why you [deleted], as opposed to [deleted]?

Mr. CLARRIDGE. Well, because those subjects that I have just mentioned to you, Mr. Stokes, have to do with Latin America mainly.

Mr. STOKES. [Deleted]?

Mr. CLARRIDGE. [Deleted].

Mr. STOKES. Let me move to another subject.

You told us that the caption on exhibit 19-5 was misleading. You indicated it was written by someone, [deleted], who didn't know about the [deleted] matter. Now, I ask you to look at—look at this exhibit 19-5. And where it indicates at the bottom portion of it that the writer of the cable coordinated with you?

Mr. CLARRIDGE. Correct.

Mr. STOKES. All right?

Mr. CLARRIDGE. Right.

Mr. STOKES. Then earlier in this series of cables, exhibit 19-2, you are the one who writes that particular cable; aren't you?

Mr. CLARRIDGE. Correct.

Mr. STOKES. Don't you use the caption there "[deleted] Assistance to the Nicaraguan Project"?

Mr. CLARRIDGE. Correct.

Mr. STOKES. So what is the difference when you use it?

Mr. CLARRIDGE. No. What I am saying, Mr. Stokes, is that when I sent the message out at the request of the Director about McMahon possibly meeting with [deleted], it is clear at that time that both he and myself understood that there was an "offer" from [deleted], and I presume this offer occurred at the meeting with the Director in January 1984. What I have said here today is that I believed that—that the Director's observation that there was an offer was in error or [deleted] changed their mind and were no longer prepared to offer anything to the Democratic Resistance by the time [deleted], as sent, reinforced on the occasion of my arrival in [deleted].

Mr. STOKES. All right. But in terms of this caption that you use, "[deleted] Assistance to Nicaraguan Project," is that misleading?

Mr. CLARRIDGE. No, I didn't say it was misleading. What I said was that you will notice that in several cases in response to a question by Mr. Eggleston about the use of a subject line which is repeated over and over again, we as cable writers are often like lemmings. We simply take the easiest way out. We are writing a cable based on a previous cable and so we use that subject line.

We are not as accurate as we should be.

Mr. STOKES. Tell me this. When you used the term "Nicaraguan project," you are referring, aren't you, to the CIA's covert action program to assist the Contras?

Mr. CLARRIDGE. Yes.

Mr. STOKES. Isn't that what you are referring to?

Mr. CLARRIDGE. Yes. Yes. I believe so.

Mr. STOKES. Correct. Now, you also indicated to us this morning that it was concern about the mining that led the Agency to reject [deleted] connection; is that correct?

Mr. CLARRIDGE. I believe the timing is about right on that. I can't—I am guessing that it was the mining episode, because that seemed to have blown up in April.

Mr. STOKES. Tell us why you would even go to [deleted] during this furor over it?

Mr. CLARRIDGE. It hadn't blown up yet by the time I left, I don't think.

Mr. STOKES. When did the mining situation occur in Nicaragua?

Mr. CLARRIDGE. Well, the minings—[deleted]? Or when did it blow up?

Mr. STOKES. When did the situation blow up?

Mr. CLARRIDGE. I think it blew up some time in April. I think it became public in April. The letter from Senator Goldwater to the Director may have been May. I can't recall precisely.

Mr. STOKES. And you went to [deleted] when?

Mr. CLARRIDGE. I believe Mr. Eggleston said I went between the ninth and the 13th or the 10th and the 13th, something like that, of April.

Mr. STOKES. Of April, right?

All right. Now, you also indicated this morning that it was not clear which [deleted] would buy the arms from [deleted], right? That is, you didn't know?

Mr. CLARRIDGE. I don't know. As I said before this morning, I didn't know whether it was arms. They kept talking about training and equipment. They would not reveal which [deleted] had asked for this.

Mr. STOKES. Now, in exhibit 19-4, in Director Casey's memo to McFarlane, he indicates in there that the country was [deleted]. You were going to go to [deleted]. Isn't it logical that he would have told you since you were going to [deleted]?

Mr. CLARRIDGE. Well, there is a certain amount of logic in it, yes. But, you know, logic doesn't always prevail and I did not know it was [deleted] or that he thought it was [deleted]. It was my guess it was either [deleted] when they raised it in [deleted].

Mr. STOKES. Let me ask you to turn your exhibit book to exhibit DRC-31.

This is a page from Oliver North's notebooks. This particular page is dated January 5th, 1985. You will see there that it shows that at 1840—6:40 p.m.—there was a call from Clarridge. Then it says, "200 T.—"—I presume that is tons—"of arms in route to—" —and it says [deleted] I presume further that that is [deleted].

Then it says, "—from [deleted]." Below that it says "David Duncan." Now, David Duncan is an arms dealer; is he not?

Mr. CLARRIDGE. I don't know.

Mr. STOKES. You do not know?

Also, it says on this exhibit, "off loading 70 tons tonight."

First, let me ask you, do you recall that telephone call with Oliver North?

Mr. CLARRIDGE. No, I don't. I don't recall it. All I can do is guess at this point as to what this might—it may have been that we had received an intelligence report and also you have to be careful here. He may have called me and referred to something and asked me to check on something. So I don't know which way that could be. But in any event, this may have come from an intelligence report that I either called him up about or that I was asked to check into. I simply can't tell you, Mr. Stokes.

Mr. STOKES. The question is why in January of 1985, would you be talking to Oliver North about shipments of arms to Central America?

Mr. CLARRIDGE. Well, it could well be that this was something coming out of Europe. And at that time I was in the European Division. On the basis of these few words, it is very difficult for me to reconstruct what it could be.

Mr. STOKES. You think it's possible coming out of [deleted] into Europe and then over to [deleted]?

Mr. CLARRIDGE. I'm sorry, Mr. Stokes. I can research it for you, if you wish, by pulling up the cable traffic and seeing if we can find it. All I can do is guess.

Mr. STOKES. Well, any light you can shed on it, we would certainly appreciate.

Mr. CLARRIDGE. I will certainly do that.

Mr. STOKES. Now, of course, by that time, however, you are now the—you are no longer [deleted]; is that correct?

Mr. CLARRIDGE. That is correct. I have been Chief of the European Division since the first of October or thereabouts, 1984.

Mr. STOKES. Now let me ask you to turn to exhibit DRC-19-19. This is a Central Intelligence Agency memorandum dissemination report dated February 5, 1985. As I understand it, Mr. Clarridge, memoranda disseminations are one of the ways the CIA distributes sensitive intelligence reports to a limited number of people. This one went to 11 people in the government who were identified by name. The title of the report is [deleted] Support for Nicaraguan Armed Opposition Sandino Revolutionary Front.

The FRS is Mr. Pastora's group; is that correct?

Mr. CLARRIDGE. Yes, I believe that was the designation at that time.

Mr. STOKES. Now this report goes on to say that [deleted]—in paragraph 2—that "During January 1985, a ship is scheduled to deliver 200,000 pounds of military supplies from [deleted] to the Sandino Revolutionary Front (FRS)."

Then it goes on in paragraph 3 to say, [deleted].

Now I am rather struck by the juxtaposition of this exhibit with exhibit DRC-31. Apparently you called Colonel North in January 1985 or he called you and then you tell him about arms shipments from [deleted], according to this. Also, apparently in January, [deleted] Mr. Pastora is getting assistance from [deleted]. So the question is, do these two exhibits refer to the same shipment of arms from [deleted]?

Mr. CLARRIDGE. It would seem so.

Mr. STOKES. Tell us how you knew about it.

Mr. CLARRIDGE. This kind of thing gets disseminated to—inside the building to a variety of people. I assume that I saw it or I was called by Colonel North, and he asked did I have any information about it. Why he would call me, I don't quite know. In any event, I either checked on it for him, or I told him about it.

Now there's one thing that is a little peculiar here. I just wonder, do you know whether we ever had any confirmation this report was correct? Or is this just, you know, we put out a lot of intelligence that, you know, sometimes is right and sometimes wrong. Have we ever—have you ever inquired as to whether this report was confirmed from any other source?

Mr. STOKES. That is something I cannot verify.

Mr. CLARRIDGE. I think we ought to do that.

Mr. STOKES. You might be able to shed light on that.

Mr. CLARRIDGE. Yes. Yes. I think we ought to do that.

Mr. STOKES. Tell us this then, Mr. Clarridge. You stated pretty emphatically you didn't know of any [deleted] assistance to the Contras, and so the question would be, why were you calling Colonel North, or what were you calling him about if you did not know anything about the [deleted] Contra link?

Mr. CLARRIDGE. Well, I think we have an apple and an orange here. I cannot tell you why I called him or replied to his telephone call in this particular note that we have just looked at.

The other question you asked me, when I say that I had no knowledge of [deleted] assistance to the Democratic Resistance, I didn't, to my knowledge, until you drew this to my attention.

Mr. STOKES. All right. Let me refer you to another exhibit, DRC-27. This exhibit is a page from Colonel North's notes, dated November 10, 1984, which notes at 12:30: "Call from Clarridge. Keep mouth shut. Never mention North. Advertise now. Heavy buys raising questions."

Then it goes on and on. Can you tell us what that telephone call is about?

Mr. CLARRIDGE. No, I'm sorry, Mr. Stokes. I can't. It doesn't seem to make much sense. Why would I call North and say never mention North?

Mr. STOKES. And also keep mouth shut?

Mr. CLARRIDGE. Keep mouth shut. I'm sorry. I can't——

Mr. STOKES. No recollection of it?

Mr. CLARRIDGE. No. When is this? November, 1984?

Mr. STOKES. November 10, 1984.

Mr. CLARRIDGE. I'm sorry. I am not trying to be obstructionist. I simply don't recall.

Mr. STOKES. Let me refer you to another exhibit. DRC-28. This is also from Colonel North's notes. This one is dated December 2d, 1984. It contains a reference to [deleted], who it notes is your Deputy, and says: "Re: KMS"—which is Mr. David Walker's firm.

It goes on to say, "active in [deleted]" then "Saladin," which is another Walker firm. Are you familiar with these Walker firms?

Mr. CLARRIDGE. No. The only light I can shed on this, from time to time Colonel North would call me about what I knew about—I think it was particularly some firms operating out of the Channel Islands. And I don't know whether this is the same group or not. And did I know anything about them as far as their reliability was concerned and that kind of thing. I suspect that that is what this refers to if indeed they are one of those British—I don't know what you call them, mercenary companies, but they do training and that kind of thing.

Mr. STOKES. Now in this specific exhibit, is this as much light as you can shed on it for us?

Mr. CLARRIDGE. Yes.

Mr. STOKES. Let me refer you to another exhibit, DRC-30. That contains the December 27th, 1984, notes of Oliver North. You will see that it says there "Discussion with Clarridge. Activities in Central America with the Brits."

Mr. CLARRIDGE. Yes. I think this probably refers—he had a couple of discussions with me about whether they could get any—and I think it goes back to this—these companies, the Saladin or whatever that is. I'm not specifically familiar with it. He was interested in what they could do in the way of helping train the Democratic Resistance.

And as I said before, he talked to me about their reliability and all of that. He did the same thing in connection with some boats that he was interested in and whether they should use those for some particular operations. I think that was Americans involved in that particular case, and I urged him not to have Americans be involved down in Central America doing that kind of thing.

Mr. STOKES. Let me ask you this specific question. Colonel North and Admiral Poindexter have testified that David Walker was an official of both KMS and Saladin and arranged certain sabotage operations in Nicaragua funded by either Mr. Calero or by General Secord.

And the authority for these operations was acquired by Colonel North and given by Admiral Poindexter. So now my question to you is, were you involved in any way with this type of action?

Mr. CLARRIDGE. No, I was not.

Mr. STOKES. Thank you, Mr. Clarridge. Thank you, Mr. Chairman.

Chairman HAMILTON. Before turning to Mr. McCollum, I will advise members we will conclude the morning session after Mr. McCollum's questions, and we will come back at 2:00 o'clock this afternoon.

Mr. McCollum, you are recognized for 20 minutes.

Mr. MCCOLLUM. Thank you very much, Mr. Chairman.

Mr. Clarridge, good morning.

Mr. CLARRIDGE. Good morning.

Mr. MCCOLLUM. Could you repeat for me what your official title is at the present time?

Mr. CLARRIDGE. I am [deleted].

Mr. MCCOLLUM. And how long have you been in that position?

Mr. CLARRIDGE. Since mid-February, 1986.

Mr. McCollum. Who do you report to in the chain of command in that title?

Mr. Clarridge. To the Deputy Director for Operations, Clair George.

Mr. McCollum. Is he the same person you reported to when you were the Chief of the European Division?

Mr. Clarridge. Correct.

Mr. McCollum. So this is all under operations, right?

Mr. Clarridge. Correct.

Mr. McCollum. I just wanted to square that away.

Admiral Poindexter testified that in the process of the Iranian initiative beginning to be created and the findings that were made, that while the Findings directed the operation to be conducted by the CIA, that he in essence put Colonel North on loan to Director Casey and that it was Director Casey's wish that Colonel North run this Iranian arms hostage, whatever, initiative that we have been all investigating.

In essence, the way I gather from Admiral Poindexter's testimony, this was a CIA operation, but Director Casey chose to use Colonel North instead of choosing to use the Agency.

Do you have any knowledge about that?

Mr. Clarridge. I don't. That is not my perception of the situation at all.

Mr. McCollum. What is your perception?

Mr. Clarridge. In Jaunary or—in January, mid-January, 198—let me get my dates right, 1986, at the time of Finding, although I was at that moment engaged with the Director in discussions on improving the Agency's counterterrorism posture abilities, there were certain aspects to the Iran initiative that involved Ghorbanifar, that involved terrorism. Ghorbanifar claimed, and was later proved correct, to have had good information on a terrorist event, on an attempted terrorist event, [deleted], last year.

In the context of that, it was very clear to me that the Director preferred that the Agency run the entire Iranian operation. And I have so told the Tower Commission when they asked me on this particular issue.

Mr. McCollum. This comes from discussions you had with Director Casey?

Mr. Clarridge. Yes. The Director would have preferred that the Agency run the entire operation rather than parsing it with the Agency only running the logistics. However, there was no support below the Director for this largely because Ghorbanifer could not pass a polygraph and, therefore, those below the Director involved in the Iran operation were opposed to working the operation with Ghorbanifar and, therefore, he didn't have any operation.

Mr. McCollum. You are talking about below the Director, you are talking about in the Agency itself, below the Director, of Mr. McMahon and Mr. George, in particular?

Mr. Clarridge. And on down.

Mr. McCollum. They opposed the CIA being more involved in it than they were? Is that what you are telling me?

Mr. Clarridge. They did not want to—I cannot say that they didn't want to be involved at all. What I am saying is they did not want to run the operation, the Ghorbanifar piece of the operation.

In other words, which, in effect, is they didn't want to run the operation. Because if you didn't work the operation from Ghorbanifar, you didn't have any operation.

Mr. McCollum. That's how it got left to North? Is that what you are saying?

Mr. Clarridge. That is correct. I am not saying that North himself didn't want to hang onto it. The Director, certainly his intention and his wish was that the Agency run the whole thing.

Mr. McCollum. Did he ever discuss it with you, your running it?

Mr. Clarridge. No. I think North—if North had had his druthers that's the way North would have liked to have gone. But it just wasn't in the cards. I mean it didn't work that way. I was trying to do something on the counterterrorism side and you just couldn't——

Mr. McCollum. Why do you think North had his druthers this way? Why do you think he wanted you to run it?

Mr. Clarridge. Well, because we worked together over the years. We knew each other. You know.

Mr. McCollum. He never told you that directly, though?

Mr. Clarridge. No.

Mr. McCollum. And Director Casey never actually said that to you?

Mr. Clarridge. No.

Mr. McCollum. But he did say he preferred to have the Agency run the whole thing?

Mr. Clarridge. That's right.

Mr. McCollum. Including the Ghorbanifar connection, et cetera?

Mr. Clarridge. That's right.

Mr. McCollum. And the fellows in the Agency below that opposed it because of Ghorbanifar? And therefore it wound up in this split thing with North running it and you fellows doing the logistics support for it?

Mr. Clarridge. Correct.

Mr. McCollum. It's a very confusing procession. One of the things that has been puzzling to me about this entire investigation is how we got off on the Enterprise, North, all of that. Was the so-called Enterprise with Secord and using the various setups that were used discussed at all in your presence during this time?

Mr. Clarridge. No. No.

Chairman Hamilton. Mr. McCollum, excuse me. I notice the witness is answering a lot of questions with a nod of the head.

Mr. Clarridge. Excuse me. Excuse me.

Chairman Hamilton. I think for the purpose of the record it would be very helpful if we always got a yes or no response from you.

Mr. McCollum. Thank you, Mr. Chairman. That's a good point. We can't record the nods too well. That's true.

The other day I asked Secretary Weinberger about whether or not he had proposed any alternatives to the Iranian arms initiative from getting our hostages back; and he said he did. He was—actually Senator Sarbanes asked that a couple of days before. Admiral Poindexter said there were no alternatives proposed. I have been curious for some time why we didn't try a rescue operation with the hostages. And I have asked a number of questions to different witnesses over the period of these hearings. Most of them said we didn't have the intelligence to do it, we couldn't get a fix on them. There were all kinds of excuses, et cetera.

Are you familiar with any—you were involved with counterterrorism here. I assume you know about it. Were there any alternatives you know about that were proposed for rescuing the hostages and getting them out in some other way other than this Iranian initiative we have been talking about for weeks now?

Mr. CLARRIDGE. No. If Weinberger is talking about a hostage rescue operation as what he proposed, that's fine. [Deleted].

[Deleted].

Mr. MCCOLLUM. Do you have an opinion as to why Mr. Buckley was kidnapped?

Mr. CLARRIDGE. I was not involved in the Near East Division or in terrorism at that time that he was kidnapped, and therefore, if there were special circumstances that might have been connected with it, I'm not aware of them.

I would suggest that somebody like Buckley was just an obviously good target.

Mr. MCCOLLUM. But after the fact we had a lot of problems because of the information we have heard testimony on in closed-door sessions that he had, and I gather that we made an extraordinary effort to try to get him back; is that not correct?

Mr. CLARRIDGE. I have heard that, but I have no first-hand knowledge on that.

Mr. MCCOLLUM. You weren't a participant in that?

Mr. CLARRIDGE. No.

Mr. MCCOLLUM. At one point in his deposition, Mr. George was asked, "How does the hostages"—on page 10—"How does the hostage-location task force interact with the chief of the Near East Division regarding the hostages?"

Answer: "We are talking bureaucracy. You had the same bureaucratic conflict with the hostage-location task force and N.E. that you had beginning in March, 1986, between the [deleted] and N.E."

Is he referring to what you described that ultimately led to this [deleted] that you have, having the task force subsumed into it, I believe is the word you used?

Mr. CLARRIDGE. [Deleted].

Mr. MCCOLLUM. So there was a turf battle going on during this time when you first went into this early last year and so on. Is that beginning to get a little reined in or not, do you think the turf battle is beginning to get shaped up?

Mr. CLARRIDGE. Yes, we have got a lot of problems.

Mr. MCCOLLUM. I would like to reserve the balance of my time.

Chairman HAMILTON. The gentleman reserves 5 minutes of his time, and the committees will stand in recess until 2:00. We'll begin with Senators Boren and Cohen.

[Whereupon, at 12:05 p.m., the Select Committees recessed, to reconvene at 2:00 p.m., this same day.]

## AFTERNOON SESSION

The Select Committees met, pursuant to recess, at 2:00 p.m., in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the House Select Committee) and Hon. Daniel K. Inouye (chairman of the Senate Select Committee) presiding.

Chairman HAMILTON. The Select Committees will come to order. The chair recognizes Senator Cohen for 20 minutes.

Mr. COHEN. Thank you, Mr. Chairman.

Mr. Clarridge, how many languages do you speak?

Mr. CLARRIDGE. You ask at the current time?

Mr. COHEN. How many have you spoken in the past?

Mr. CLARRIDGE. Really only two.

Mr. COHEN. Only two? [Deleted]?

Mr. CLARRIDGE. [Deleted] and [deleted].

Mr. COHEN. [Deleted]? [Deleted]?

Mr. CLARRIDGE. I can read it.

Mr. COHEN. I am just curious because one thing is evident from your record, that you are a highly skilled individual who obviously enjoys a good reputation with the intelligence community. It just struck me to the extent that you have some background in languages, it takes quite an exercise in memory usually, and I was struck last evening in going through the depositions and I was, I must confess to you, I was going from points of laughter to points of despair as I read over the deposition itself. On practically every single major event that we have been considering, you have virtually no memory at all and that whenever a question is directed toward you, you indicate well, it may be, I just can't recall. It seems to be replete throughout the deposition. I was just wondering how to reconcile that frankly with your positions you have held over the years and they've really been truly outstanding. I know you have an outstanding record and have enjoyed the regard of Director Casey.

I just find that perplexing as to how there could be such a major lapse in memory given the fact that you have obviously a very high intellectual capability.

So, I guess that will just have to remain unexplained. I will go forward and perhaps try to cover it in a different way.

On November 25th, 1985, according to Oliver North's notebooks, he indicated either you called him or he called you and you've indicated today that that simply didn't take place?

Mr. CLARRIDGE. Which one?

Mr. COHEN. That would be the evening about 12:05.

Mr. CLARRIDGE. Which exhibit?

Ms. MCGINN. Which exhibit is that?

Mr. COHEN. I don't have the exhibit here. I'll get it for you.

You testified to it already this morning.

The question was raised in Oliver North's notebooks—a call was placed at 12:05 I believe. It indicated October 25. That was an incorrect—it should have been November 25th. In any event, you said—it was November 25th. "Call from Dewey, cargo must be listed as machine parts, spares for oil industry."

That's not the one I wanted. The one I want is the one where he indicated that McMahon and Clair George were upset and—this would be exhibit 5-23.

"Summoned in by Clair/McMahon. 'This is criminal.' Told agency was freight forwarded by Dewey. Poindexter to intervene"—or—"intercede."

But you indicated that you have no—that call never was placed by you to Colonel North?

Mr. CLARRIDGE. I didn't say that, Senator Cohen. What I said was that I was never summoned to a meeting with Clair George and McMahon. I'm not even sure that Clair George was in town on the—whatever date this was—the 25th of November. I'm not sure about that. But I can say—I didn't say I didn't have any recollection. I said I was never summoned to a meeting.

Mr. COHEN. Did you place a call to Colonel North at 12:05 that day?

Mr. CLARRIDGE. I have no recollection of placing any call. That was a couple of years ago and, you know, I made a lot of calls.

Mr. COHEN. But that would have been around midnight, wouldn't it?

Mr. CLARRIDGE. Yes. It's a peculiar time.

Mr. COHEN. Kind of an unusual event for you to place a call to Colonel North at midnight?

Mr. CLARRIDGE. That's right.

Mr. COHEN. OK.

Mr. CLARRIDGE. But since the date is inaccurate, maybe the time was inaccurate.

Mr. COHEN. But you don't have any recollection about even talking to Colonel North about McMahon or anyone else being upset about the fact that the equipment was shipped?

Mr. CLARRIDGE. No, I don't. As I say, I was never summoned to any meeting.

Mr. COHEN. OK. And McMahon apparently is exaggerating if he was to testify that he went through the roof or the overhead about the fact?

Mr. CLARRIDGE. No. I'm not saying that he exaggerated, if that's what he said he did. What I said is he did not do that with me.

Mr. COHEN. In any event, he then went to Sporkin, Judge Sporkin, who then was Mr. Sporkin and demanded a Finding and got a Finding and that's what John Poindexter called a CYA Finding to cover the Agency's activities at that point. And do you agree that John McMahon at least generated that CYA Finding?

Mr. CLARRIDGE. I don't know that.

Mr. COHEN. Don't know? You were never aware a Finding had been signed?

Mr. CLARRIDGE. Not at that time.

Mr. COHEN. Now you stated that oil equipment and arms were both embargoed. You indicated that this morning?

Mr. CLARRIDGE. No. What I said was that when John McMahon called me he said that I don't care whether there are arms or oil equipment on the aircraft, they are both embargoed items. And I believe we may need a Finding.

Mr. COHEN. Well, if they are both embargoed, that would have violated, in any event that would have violated your own CIA regulations, wouldn't it?

Mr. CLARRIDGE. If the President had decided he wanted to remove the embargo, I guess he can do that.

Mr. COHEN. I am talking about H.R. 7 which is a CIA regulation relating to support to the White House office. It says "Support requested by or extended to the White House office excluding the production and dissemination of foreign intelligence must have the prior approval of the Director."

Did this particular shipment of oil equipment and/or HAWK spare parts have the prior approval of the Director?

Mr. CLARRIDGE. Not that I know of, but when the time came, when I was asked if we could come up with a reliable charter aircraft, and when the answer to that was they could not at that time of night and recommended the use of the proprietary, I went to my next echelon.

Mr. COHEN. Who was that, Mr. Juchniewicz?

Mr. CLARRIDGE. Mr. Juchniewicz.

Mr. COHEN. Is he the director?

Mr. CLARRIDGE. He is not the director.

Mr. COHEN. Does he have the authority to make that kind of decision?

Mr. CLARRIDGE. I assumed he would probably go higher.

Mr. COHEN. So you relied upon his authority that you assumed he would talk with Mr. Casey?

Mr. CLARRIDGE. No. Because Mr. Casey was not in town. He would have to talk with the acting director.

Mr. COHEN. Who would that have been?

Mr. CLARRIDGE. John McMahon.

Mr. COHEN. John McMahon wasn't in town either?

Mr. CLARRIDGE. I don't know whether he was or he wasn't.

Mr. COHEN. OK.

You also indicated this morning that Colonel North would make representations to John Poindexter and Bud McFarlane and use your name when, in fact, he never spoke with you; is that correct?

Mr. CLARRIDGE. I'm saying that in that particular item that's what I think was going on.

Mr. COHEN. But you indicated he had a habit?

Mr. CLARRIDGE. No. If I said he had a habit of doing it, I misspoke. I didn't say he had a habit. But there were on occasions——

Mr. COHEN. You said he liked to toss your name around because it carried some weight?

Mr. CLARRIDGE. Yes. And I think he did.

Mr. COHEN. What does that mean?

Mr. CLARRIDGE. That means he did toss my name around on occasions, saying this looked good or it looked bad.

Mr. COHEN. Even though he had never spoken with you?

Mr. CLARRIDGE. Well, in that particular case he had never spoken to me.

Mr. COHEN. He wouldn't be tossing your name around on those other occasions if he had in fact spoken to you. He would be acting with your official or——

Mr. CLARRIDGE. Well, perhaps. But I might not have known that he was going to use my name when he approached me on a particular issue.

Mr. COHEN. In your deposition, page 33, a question was asked to you about your meeting Mr. Secord, General Secord. I think you indicated on page 32, that you met him once in 1986 and were surprised. He said "Good to see you again." You hadn't recalled ever meeting him in the first place. Then on the next page, I think it is

33, you said that Secord's not the sort of name that meant anything to me. You recall saying that?

Mr. CLARRIDGE. Yes. That's correct.

Mr. COHEN. OK.

You know Ted Shackley quite well?

Mr. CLARRIDGE. Well, I don't know him—I can't say I know him quite well. It depends on what you mean by quite well. He was the Associate Deputy Director of Operations when I was I guess Chief of Operations for—I mean, Deputy Chief [deleted].

Mr. COHEN. So you had some professional dealing with him going back——

Mr. CLARRIDGE. Yes.

Mr. COHEN. —A considerable period of time in the past, back in 1976, at least?

Mr. CLARRIDGE. Yes. 1976 I think it was.

Mr. COHEN. And were you aware that Ted Shackley had any relations with either Mr. Hakim or General Secord at that point in time?

Mr. CLARRIDGE. No. Not at all.

Mr. COHEN. Never had any communication from Mr. Shackley about Mr. Hakim?

Mr. CLARRIDGE. Never. Never even knew the name "Hakim."

Mr. COHEN. I want to show you a document. It's a memorandum. I don't know if it's in your file or not. But it's dated August 5, 1976. It's from Mr. Shackley and you are referred to in the memo on page 2. I'll read it to you and then give it to you. It relates to August 4, 1976. Mr. Hakim was transitting Washington, DC on August 4, 1976. "As a result Mr. Shackley ran traces on Mr. Hakim in the Central Intelligence Agency central index and found no derogatory information. As a result of an appropriate clarification with Mr. Clarridge, [deleted] made arrangements to meet Mr. Hakim for lunch on August 4." Then it's indicated by the memo you were on the distribution list. So the memo was sent to you. It specifically refers that Mr. Shackley had coordinated the approach to Mr. Hakim that he might work for the Agency.

Mr. CLARRIDGE. Well, I have——

Ms. MCGINN. Can he see the memo?

Mr. COHEN. Take a look at this.

Would that be a misrepresentation on the part of Mr. Shackley?

Mr. CLARRIDGE. Well, let me point something out. Iran did not come under my purview [deleted]. [Deleted], for him to have involved me, there might have been some other reason, which I don't remember because I don't remember this at all.

Mr. COHEN. But the memo says that he coordinated with you. That's an error?

Mr. CLARRIDGE. I can't say it's in error. I don't recall whether he did or he didn't. I'm saying it is peculiar since Iran was not under my purview at that time.

Mr. COHEN. Also in the course of your deposition, you indicated that you believed you did not know that Ed Wilson—you didn't follow the Ed Wilson matter?

Mr. CLARRIDGE. That is correct.

Mr. **Cohen**. You had no interest as a high level CIA operative as such with the implications of Ed Wilson and his tie to General Secord, Shackley, EASTCO?

Mr. **Clarridge**. No. It doesn't mean a thing to me and it really doesn't mean very much to me today.

Mr. **Cohen**. So the name "Secord" never surfaced to your level of consciousness at the time that the Wilson matter was being tried in the courts?

Mr. **Clarridge**. I don't think I was even in the country.

Mr. **Cohen**. So you had no understanding whatsoever of Shackley's relationship to Hakim or Secord or Quintero or anyone else?

Mr. **Clarridge**. No.

Mr. **Cohen**. That network never came to your attention?

Mr. **Clarridge**. No, it did not.

Mr. **Cohen**. OK. On [deleted], I guess you covered that with Congressman Stokes. I was not here to hear all of his questions. But you indicated this morning that the Agency thought something was being offered by [deleted] and that was one of the reasons why, I believe you answered in your deposition, that you certainly had no part in soliciting [deleted] contributions for the Central Americans. It raised a question for me: If, in your mind, there was a doubt as to whether the Agency was being offered something or whether the Agency was soliciting something, would you be correct in responding to a question—were you involved in the solicitation of aid from [deleted] to Central America? Your answer would be "no." Because you believed that [deleted] were offering something that was not solicited. Is that the reason you offered it?

Mr. **Clarridge**. No. I think it is more complex than that. As we went through with Mr. Stokes, all I am saying in the deposition is—and I had not had a chance to review all of the cable traffic that I have now seen since that time, and did not recall it is that when I went [deleted], I did not ask for any help nor was any offered. And, in fact, a decision had been taken before I left that if anything was offered, I was to turn it down and I certainly wasn't to ask for anything.

And that was followed up by a cable which I believe is in the record here which confirms that.

Mr. **Cohen**. Let me turn to the diversion issue. I think you indicated that the pricing mechanism, there was some issue raised back in the fall of 1986 about the pricing mechanism, some confusion I think you indicated, but that as far as you are concerned, that was just a matter of bean counting.

You weren't concerned about how the weapons were priced or not?

Mr. **Clarridge**. Let me explain, Mr. Cohen, that I was not directly involved in the Iranian matter through 1986. There came one occasion when [deleted], the Chief of the Near East Division, went on leave or went abroad and he asked me to sort of look over the logistical part that he was handling for CIA. In the course of that, a meeting was called, as I have said. I don't know whether I called the meeting for some reason or it was called by others. And a meeting was held at CIA where there was discussion about what had been shipped in the way of spare parts, what had arrived broken, what hadn't been shipped.

It was to get those accounts squared away. I left the meeting after a short period of time because there was nothing I could add to it, and I had other things to do.

Mr. COHEN. Didn't [deleted] show there were very high prices being charged for weapons which were angering the Iranians?

Mr. CLARRIDGE. Mr. Cohen, I wasn't reading [deleted]. It was not part of my business.

Mr. COHEN. Did Mr. Allen bring them to your attention?

Mr. CLARRIDGE. Occasionally he brought one or two to my attention.

Mr. COHEN. But it wasn't of sufficient importance that—the price itself being so high might, in fact, endanger the lives of the hostages? That didn't occur to you?

Mr. CLARRIDGE. Mr. Cohen, I was not involved in it. I don't know whether I ever saw any [deleted] that indicated the prices were high.

Mr. COHEN. Let me turn to the preparation of the Casey testimony. I think that you indicated in your deposition that you recall attending one large meeting even though you don't recall the date or who, in fact, was there; is that correct?

Mr. CLARRIDGE. That is correct.

Mr. COHEN. And who was it——

Mr. CLARRIDGE. Let's put it this way. I don't recall all of the people who were there.

Mr. COHEN. Well, in your deposition, I think you indicated you didn't recall who was there?

Mr. CLARRIDGE. Well, that may be true.

Mr. COHEN. Nor could you recall the time. I raise this because this particular meeting occurred, you know, at a time around November of 1986, so it is fairly recent to the time that you were called to testify before the Senate Select Committee on Intelligence. There wasn't that much of a time gap where you wouldn't have at least some memory within roughly a month's time or less than a month's time, 3 weeks time. Yet you had virtually no recollection of that when you testified before the Senate Select Committee on Intelligence, as well.

Let me just go to that meeting. I assume that you were one of the people that Mr. Gates called in to try to prepare Mr. Casey's testimony, is that a fair assumption?

Mr. CLARRIDGE. That is correct.

Mr. COHEN. What did you say about the November 1985 shipment during that meeting for the preparation of Mr. Casey's testimony?

Mr. CLARRIDGE. I don't think I was ever asked.

Mr. COHEN. Weren't you the key person involved in terms of giving the authority at that time to the proprietary to go forward?

Mr. CLARRIDGE. No. As I have said, Mr. Cohen, when the proprietary became engaged or the possibility of it being engaged, I raised it to my superior level, Mr. Juchniewicz.

Mr. COHEN. Was Mr. Juchniewicz at this meeting that was held?

Mr. CLARRIDGE. I don't know.

Mr. COHEN. Didn't you proceed with an additional four or five other flights as far as their arranging them through your contacts? Following the November shipment?

Mr. **Clarridge**. No. There were plans for four additional flights.

Mr. **Cohen**. Right.

Mr. **Clarridge**. And I was arranging for clearance through [deleted].

Mr. **Cohen**. Right. And even though you were planning to do that, nonetheless, when you went to that meeting to prepare Director Casey's testimony, no one asked you a single question about what took place on that day a year before?

Mr. **Clarridge**. No. I don't recall a single question on it. I think everybody in the room knew what had happened.

Mr. **Cohen**. What was said during that time?

Mr. **Clarridge**. I don't think the issue of the November flight was a big one at that particular meeting.

Mr. **Cohen**. It certainly was a big one. It was the major issue whereby it was stated that the government—everyone in the government believed that it was oil-drilling equipment.

That is what was so controversial about Director Casey's testimony. You think everybody in that room, all, believed at that time that it was oil-drilling equipment?

Mr. **Clarridge**. I cannot say what they thought.

Mr. **Cohen**. You don't remember?

Mr. **Clarridge**. No. It isn't a matter of I don't remember. I don't think it ever came up.

Mr. **Cohen**. Did you happen to see the statement that was drafted for Director Casey? Did you see the statement that was drafted for Director Casey?

Mr. **Clarridge**. No, I didn't.

Mr. **Cohen**. Did you appear with Director Casey before the House Intelligence Committee?

Mr. **Clarridge**. Yes, I believe I was there for the House Intelligence Committee, yes.

Mr. **Cohen**. When he gave his testimony, was there anything in his testimony that you felt was inaccurate or wrong?

Mr. **Clarridge**. Frankly, I can't recall.

Mr. **Cohen**. Wouldn't something of that importance stick in your memory?

Mr. **Clarridge**. Well, I mean maybe it should, but it didn't.

Mr. **Cohen**. I would like to move on to the issue of the non-governmental, off-the-shelf counterterrorist unit. Do you have—did you have any discussions with Director Casey on the formation of an independent, covert operation or covert action capability for use in counterterrorist response teams? Did you ever have any conversation with Director Casey?

Mr. **Clarridge**. You mean a non-governmental?

Mr. **Cohen**. Right.

Mr. **Clarridge**. No. I never have.

Mr. **Cohen**. Do you know whether the DCI approved the formation of such a group under the control of individuals who had no formal contact with the CIA, as such?

Mr. **Clarridge**. I never heard of such a thing.

Mr. **Cohen**. No discussions ever took place at that time?

Mr. **Clarridge**. No. Never even heard of it.

Mr. COHEN. Were you aware of the formation of any other groups who were independent of official U.S. control which were used for the conduct of U.S. covert actions?

Mr. CLARRIDGE. Well, I was aware of what was going on down in Central America as far as, you know, obviously somebody was doing something down there. But I had no specific knowledge as to who they were or what exactly they were doing.

Mr. COHEN. So this is all new to you about this so-called independent group that they tried to set up through the use of the sale of funds of—sale of weapons to create a fund that could be used for so-called off-the-shelf independent operations? You never had any knowledge of that?

Mr. CLARRIDGE. No. Not at all.

Mr. COHEN. How did it come that—or did you have dealings with Mr. Secord or Mr. Hakim in terms of the use of a ship that was owned purportedly by Mr. Hakim?

Mr. CLARRIDGE. The only thing I know about a ship was that at some point in time after the Libyan raid, they [deleted]. [Deleted] they were searching around for some sort of other vehicle, and I believe it was that Colonel North suggested that a ship that he had some control over in the Mediterranean might be used for this purpose.

Mr. COHEN. That is the only contact you know about that?

Mr. CLARRIDGE. That is all I know.

Mr. COHEN. From Colonel North's notebook dated January 14, 1986, there is a note that says, "Call Dewey. Tell the [deleted] to go to [deleted]. Tell [deleted] to back off [deleted], Re: Company inability to move."

Do you remember such a call from Colonel North?

Ms. McGINN. Could you tell us what exhibit number that is, please, Senator?

Mr. COHEN. I will withdraw it for the time being. It is not in your book, and I'll see to it that you get that before I pursue that.

Who is [deleted] and [deleted]? Do you know either of those two gentlemen?

Mr. CLARRIDGE. Yes. [Deleted] at the present time is my [deleted]. And [deleted] held his position previously and now holds another one.

Mr. COHEN. Are you familiar with what the Tower Report referred to as General Secord's operation in Beirut which involved a 40-man Druze team under the coordination of General Secord and Mr. Nir?

Mr. CLARRIDGE. I am not.

Mr. COHEN. Just one final point. I was curious about your, I guess, progress or at least rotation in terms of jobs. It seems to me that you were Director Casey's man of the hour. You moved from the Latin American Division when, in 1984?

Mr. CLARRIDGE. The Latin American Division, yes, around early October, 1984.

Mr. COHEN. Then you moved to Chief of the European Division——

Mr. CLARRIDGE. Yes, and then to [deleted].

Mr. COHEN. It seems you are the person they turn to for the three key areas that we have been dealing with, Central America, the shipments coming from [deleted], where some of the weapons were purchased from [deleted] in Europe, and also on the counterterrorism, somehow it seems more than coincidental that you were picked to be rotated in those particular cases.

Can you tell us how you happened to be rotated in that fashion?

Mr. CLARRIDGE. How I got to [deleted] Latin American Division, I don't know all the ins and outs. When I was in [deleted], from in April when they decided to rotate me out of [deleted] until I arrived in August, they sent me five different messages with five different positions. I ended up with the final being [deleted] Latin American Division, and that decision was made pretty late, and I don't know the background behind that decision.

I only met Mr. Casey once when he came on a visit to [deleted] around March or April, 1984. When I was rotated out of the Latin American Division to the European Division, the time had come for me to go. I had been in the job for over 3 years. I have had medical problems in the past, and I told Casey that 3 years is all I wanted to do. There was also, I think, some pressure from down here that they would rather see me out of that job. There was a lot of contrary pressure from the State Department, Defense, and NSC to keep me in it. I was kept in it over the time that Casey and I agreed that I wanted to leave. I wanted to leave 1 June, and because of pressure from other agencies, it lasted until 1 October.

Why I was put into the European Division, it was the only division available, and a lot of switching around had to be done to put me into that position. I suppose they thought I had to have something comparable with my grade.

Mr. COHEN. What were your instructions as the head of the European Division regarding working with Oliver North and his Contra resupply operation?

Mr. CLARRIDGE. None whatsoever.

Mr. COHEN. No instructions?

Mr. CLARRIDGE. No instructions; never did anything anyway.

Mr. COHEN. When you were head of that division, did you help Colonel North buy or transport arms for the Contras?

Mr. CLARRIDGE. No, I did not.

Mr. COHEN. Nothing from [deleted] shipped through [deleted]?

Mr. CLARRIDGE. No.

Mr. COHEN. What were your instructions as [deleted] regarding the creation or the use of any capabilities beyond those that were being briefed to the Intelligence Committee?

Mr. CLARRIDGE. None.

Mr. COHEN. None?

Mr. CLARRIDGE. No.

Mr. COHEN. Thank you, Mr. Chairman.

Chairman HAMILTON. The Chair has two announcements. I note for the record that for 2:08 p.m. to 2:22 p.m. during questioning by Senator Cohen, the House committee did not maintain a quorum because of a roll call vote in the House.

Secondly, the chair notes that there are people in the room taking notes. I want to advise everyone that we are in executive session. We are not to talk about what we hear in these sessions and any notes taken are classified notes until declassifed by the proper procedures of the committee.

Senator Cohen.

Mr. **Cohen**. Could you complete the round of questions that I asked you and tell us how you came to be rotated into the Counterterrorist Division?

Mr. **Clarridge**. Yes. It was at the end of December of 1985 after the Rome and Vienna massacres, and the President had talked with Casey about the Agency doing a better job on the counterterrorism problem, and sometime in mid-January, Casey asked me to take off 6 or 7 weeks and examine why the Agency hadn't done better over the past 20 years on the problem and make some recommendations. That I did in about 10 days or so.

Those recommendations were accepted by everybody and then Casey said, "Well, now that you wrote the paper, why don't you take the job."

Chairman **Hamilton**. Senator Boren is recognized for 20 minutes.

Mr. **Boren**. Thank you, Mr. Chairman. I'll try not to take that long.

I think most of the questions that I intended to ask have already been covered by others.

I apologize; I had to leave to attend another meeting and missed some of the questions.

[*C/CATF*] said he learned of Attorney General Meese's planned press conference of November 25th when he talked about the diversion at a meeting with Clair George that morning. I'm wondering when you first learned of the Meese November 25th announcement.

Mr. **Clarridge**. I think after it happened. I certainly didn't know about it ahead of time.

Mr. **Boren**. What discussions did you have with regard to disclosure of information on this matter or on the arms sale to Iran or on the Contra operations to persons outside the CIA between the time that you learned that this investigation was ongoing, in other words, from the time of the Meese press conference and until you testified before the Senate Intelligence Committee in December? With whom did you confer about your testimony or what you would talk about between that time?

Mr. **Clarridge**. I don't think I talked with anybody.

Mr. **Boren**. You did not talk with anybody about your testimony?

Mr. **Clarridge**. No. You mean about what I was going to say?

Mr. **Boren**. Did you discuss your testimony with anybody at the Agency?

Mr. **Clarridge**. No.

Mr. **Boren**. No one at all?

Mr. **Clarridge**. Not that I recall with anybody.

Mr. **Boren**. What about any discussions that you might have had with regard to your testimony or any disclosures about your own knowledge of these matters before your interview by the Tower Board; did you have any discussions with anyone in the Agency or anyone otherwise, any persons with regard to what you would talk about before the Tower Board?

Mr. **Clarridge**. No. No, Mr. Boren, I can't remember talking to anybody about what I was going to say down there.

Mr. **Boren**. What about before your testimony before the joint committee in earlier depositions?

Mr. **Clarridge**. No.

Mr. **Boren**. So you had no conversations with anyone in terms of discussing the scope of the questions or the kind of information that you would divulge or what you would be likely to say?

Mr. **Clarridge**. I understand what you are saying now. Yes, I have talked within CIA with Mr. Rizzo and Ms. McGinn, and I think with—my personal assistant prepared and got together documents.

Mr. **Boren**. Did you have any discussions with Mr. George at all prior to your testimony?

Mr. **Clarridge**. None whatsoever.

Mr. **Boren**. With [deleted]?

Mr. **Clarridge**. None.

Mr. **Boren**. With [deleted] or the person who was in charge who's alleged to have sent the cables to you, did you have discussion with any of them?

Mr. **Clarridge**. No, I have not seen them.

Mr. **Boren**. When you were still [deleted], according to Colonel North's testimony you took him around and introduced him to the Contra leaders. Who made the request of you to do that?

Mr. **Clarridge**. Well, I think if he has described it as sort of took him around, I'm not so sure I would put it quite that way. I remember one occasion when I saw him in [deleted], I believe. Again, it has been a long time, but I think there was one occasion when I went to [deleted], and [deleted] with General Gorman and Admiral Moreau and then we came up to [deleted], and there I think Colonel North was there—no, I think—excuse me, I'm trying to remember this.

There was one occasion, [deleted], and the interagency group sent myself and Colonel North down [deleted] and there we met with [deleted]. There may have been a meeting with some of the Resistance leaders, but I can't recall specifically.

The other episode that I remember is this trip that General Gorman and Admiral Moreau and I took first to [deleted] and then to [deleted] and then [deleted]. I believe in [deleted] Colonel North was there and I can only remember a meeting in a cabana [deleted], I believe it was, with some people from the southern front, and it wasn't [deleted]. I think it was [deleted]. But that is the best I can do for you.

Mr. **Boren**. That is the extent of your introducing him around?

Mr. **Clarridge**. If you want to call it introduced him to [deleted] in Washington when [deleted] made one of his trips up here, there was a meeting with [deleted] in the NSC—I don't know whether it was——

Mr. **Boren**. Did anyone ask you, Director Casey or anyone else, to sort of teach the ropes to Colonel North or to introduce Colonel North to any of these people, or was this done on your own or at the request of Colonel North?

Mr. **Clarridge**. No. He was part of the interagency group and everybody in that group was meeting with these people from time to time. I didn't see it as a particular effort to go out and introduce him to these people.

Mr. Boren. Admiral Moreau—what was his assignment at that time that he was with you in Latin America?

Mr. Clarridge. I don't have exactly the correct title, the Assistant to the chairman of the Joint Chiefs.

Mr. Boren. So he at that time was somewhat involved in the Latin American——

Mr. Clarridge. He was a member of the interagency group.

Mr. Boren. Dealing with Latin America?

Mr. Clarridge. And probably a lot of other things.

Mr. Boren. He went to the Mediterranean Command after that?

Mr. Clarridge. Yes.

Mr. Boren. Do you know whether his going to the Mediterranean Command occurred at about the same time that you were assigned to Europe? You continued to have contact with him, I assume, after he went to the Mediterranean Command?

Mr. Clarridge. I did not. I don't know when his assignment came about. It seems to me that he left the European Command or the Naval Command in Naples in 1985, because I remember a social function at his house before he left, and it seems to me that was the summer of 1985.

Mr. Boren. That was a social function in Naples?

Mr. Clarridge. No, a social function in Washington, DC.

Mr. Boren. Did anybody in your division, or did you give any advice to Colonel North on how to buy arms in Europe or how to get them down to Central America?

Mr. Clarridge. No, they did not.

Mr. Boren. And you did not?

Mr. Clarridge. I did not.

Mr. Boren. To your knowledge, did you ever hear of anyone else at the CIA giving such advice?

Mr. Clarridge. No, I didn't. I never have.

Mr. Boren. I think you said to Senator Cohen that while you were in the European Division, you didn't advise Colonel North on the procurement, after you went to the European Division, on the procurement or transportation of arms?

Mr. Clarridge. No, I did not.

Mr. Boren. Did you have any role in Colonel North getting together with General Secord?

Mr. Clarridge. No, I did not.

Mr. Boren. I think again Senator Cohen asked you about this Hakim-owned ship that has been talked about. You mentioned the possible use of the ship [deleted]. But we have heard in other testimony that perhaps this same ship, the Hakim-owned ship, was used to wait off Lebanon for the possibly release of hostages and later to take equipment to Iran and possibly pick up some tanks.

Mr. Clarridge. Yes. The only other thing, I never heard about it lying off the shore related to hostages, but I do remember a discussion or something about the possibility of a ship. I didn't know that Hakim owned it, that a ship some place in the Mediterranean was going to go to Bandar Abbas, I believe, and pick up a T-72.

Mr. Boren. Do you know whether this ship was ever used for any other NSC or CIA-sponsored missions?

Mr. Clarridge. No, I don't.

Mr. **Boren**. Did you make use of any other resources or capabilities provided by Colonel North, Mr. Secord, Mr. Hakim or any of their associates while you were stationed in Europe?

Mr. **Clarridge**. When I was in the European Division or in the counterterrorism job, no.

Mr. **Boren**. Mr. Allen has indicated that he had meetings with Ghorbanifar, he tried to get the Agency to work with him. He appeared to be acting as your deputy and also a link to Colonel North and sort of a de facto operative in a lot of these situations, according to testimony that has been given to us. Did you supervise Mr. Allen's activities during this period of time?

Mr. **Clarridge**. No, I did not. It would appear, from my manning table, that he reported to me, but, in fact, he did not. He reported to the Director as NIO for counterterrorism.

Mr. **Boren**. He was not reporting directly to you?

Mr. **Clarridge**. He was not really reporting to me.

Mr. **Boren**. He has indicated that he had given you [deleted] from time to time.

Mr. **Clarridge**. That is correct.

Mr. **Boren**. How much attention did you pay to these [deleted] regarding this program?

Mr. **Clarridge**. Very little.

Mr. **Boren**. But you were aware of them?

Mr. **Clarridge**. Yes, but I rarely ever remembered them.

Mr. **Boren**. I presume you read them enough to know that at least in some period of time there were arms sales going on, quibbling back and forth about the prices and this sort of thing?

Mr. **Clarridge**. I was aware, as I think I stated before today in answer to a question, Mr. Allen sat two doors down from me, and Mr. Cave often used his office because he didn't have any other office. They would come, particularly Mr. Cave, and tell me what was going on, but I did not sort of [deleted] on a day-by-day basis or even on a weekly basis.

Mr. **Boren**. Did you know [deleted] that there were some prices being charged for the arms and that this was making the Iranian firms angry? Were you exposed to that in this [deleted]?

Mr. **Clarridge**. I understand it is in there, but I did not read it there. Where I heard about that was from talks with Mr. Cave.

Mr. **Boren**. Did Mr. Cave ever tell you about that?

Mr. **Clarridge**. Yes, that there were pricing problems.

Mr. **Boren**. So he did tell you about that?

Mr. **Clarridge**. Yes, but I did not read it in the actual material.

Mr. **Boren**. After he told you about it, did you do anything about it?

Mr. **Clarridge**. No. It wasn't my business.

Mr. **Boren**. What about Mr. Allen's analytical conclusion of September to October of 1986 that has been discussed with us, that there might have been a diversion of profits from this sale? When all this haggling was going on about price, obviously there was knowledge as to how much the government was being reimbursed, and he began to raise questions [deleted] as to where was the money going. If there were excess funds, surplus being generated, where was it going? Were you aware of Mr. Allen's suspicions about that?

Mr. Clarridge. No. I don't believe that he ever shared those suspicions with me. However, he did tell me after he had met with Mr. Furmark about what Mr. Furmark had said.

Mr. Boren. Let me ask you this one more time. On—you were briefed on November 22d [deleted]. As I understand it, you simply don't remember the nature of that briefing.

Mr. Clarridge. I do not. I assume that it had something to do with the hostage release business.

Mr. Boren. And, again, you don't remember any discussion that he had with you November 26th and 28th that the cargo was arms? You don't remember that discussion?

Mr. Clarridge. I do not remember that discussion. If he says that he brought these [deleted] to my attention, he probably did.

Mr. Boren. With [deleted] and with the communications people involved in sending the messages to you, those that say that they had sent you a message, they remember sending you a message indicating to you that this was not drilling equipment, that this was arms, you have no recollection of ever seeing that at all?

Mr. Clarridge. I do not.

Mr. Boren. And you never had a discussion with those people after that time about whether or not they ever sent you any such cable?

Mr. Clarridge. No. I have not seen [deleted] since he left for [deleted], when he went out first on assignment.

Mr. Boren. And you haven't had a discussion with either of them since that time or any time leading up to this testimony?

Mr. Clarridge. No, and I don't even know the communicator.

Mr. Boren. I have no further questions.

Chairman Hamilton. Without objection, the chair will make part of the record, a CIA document, dated August 5, 1976, subject, "Mr. Albert Hakim, an Iranian importer-exporter dealing primarily in security systems and technology of interest to military establishments and intelligence services."

Chairman Hamilton. The Chair recognizes under the 10-minute rule, Mr. DeWine.

Mr. DeWine. Thank you, Mr. Chairman.

Good afternoon, Mr. Clarridge.

Mr. Clarridge. Excuse me. It has just been suggested that I didn't understand the question that Mr. Boren was asking me about had I talked to anybody before I testified on any of these occasions. Yes, I talked with the Agency lawyers, and the Office of Legislative Affairs people.

But I—in other words, how the testimony would go, but I think what I taking is, did I discuss substance with anybody? No, the answer is no.

Chairman Hamilton. You may proceed, Mr. DeWine.

Mr. DeWine. Mr. Clarridge, we have had a great deal of testimony regarding the policy differences concerning this Iran initiative, particularly with regard to the arms sale. We have Shultz and Weinberger, who were certainly against the arms aspect of the initiative; Poindexter, McFarlane, Meese, and supposedly Director Casey generally supporting that initiative. You were close to Director Casey, I take it, is that correct?

Mr. Clarridge. Yes. We talked about things.

Mr. DeWine. Do you have any comments about this dispute, or would you like to speak to that in any way, anything you can share with us?

Mr. Clarridge. Well, I can't prove it, but I think the strategic opening to Iran, the idea, the concept, the desire, began early in this administration, probably going back to 1981, certainly to 1982, in the form of General Haig, Mr. McFarlane, when he was counselor at the State Department, and Mr. Ledeen, when he was working there for Mr. McFarlane. I think the idea that we needed to open up a strategic role or relationship started then.

The government quickly—and as things developed into 1985—broke down into largely two groups of people. There was the group who felt that we should pursue the strategic opening and that there were elements within Iran that could be worked with.

There was the other group, and again I am simplifying a rather complex matter, there was a second group which felt there was no such thing as a "moderate element" in Iran and that what we really should be doing is teaching the Iranians a lesson.

Now, this was also to some extent reflected inside my building by those who had worked on the Iranian problem in 1979 to 1981. Again, they tended to reflect the idea that we should teach the Iranians a lesson, and there was nobody worth working with in Iran. And I think that as the Iranian thing developed in 1985, those lines were pretty clear-cut, and I think you see reflections of it today in certain attitudes in regard to the Gulf. These are being married. In other words, the group that had been interested in opening up relations with Iran or with some people in Iran, and as that was progressing, there was some hope. Obviously that has come to naught and the group more interested in teaching the Iranians a lesson or finding an excuse to teach them a lesson have now moved into the ascendency.

Mr. DeWine. As [deleted] at the CIA, I am sure you are very much familiar and understand the need for cooperation between the United States and with other countries. It seems to me that we are having a tough time in getting other countries to work with us in combatting terrorism.

Maybe you could share with us your expertise, if you believe we have a hard time and if you believe we do, why we have such a hard time and what we can do about it if it is a problem.

Mr. Clarridge. I think that Ambassador Bremer, since taking over his position in the State Department, has made this a major item on his agenda. The problem is, and we are talking here largely about the Europeans, they have their own agendas which are often driven by commercial and political considerations, and in many cases they would prefer to cut deals with terrorist groups rather than sort of getting down to dealing with the problem. I think that is the overall issue.

Now I think if you get down to some specifics, I think [deleted], to some extent, have found that cutting deals doesn't work very well, and they are now paying a rather large penalty for having gone in that direction for a number of years, and all the European countries, leaving aside [deleted], to some extent [deleted], have come a long ways in the last year in cooperation with us, for example.

Mr. **DeWine**. Any suggestions about what we do about that problem?

Mr. **Clarridge**. No. I think we have to keep working at it and finding ways in which we can cooperate. We—CIA has done a lot for these countries, particularly [deleted], for example, in the last 6 months, to make them or allow them to do a better job with their problem. We share an awful lot of information.

And based on what we have been able to supply [deleted], and of late they have had some rather startling successes, more of that has to be done.

Mr. **DeWine**. This morning you gave us a rather gloomy picture of the options available to the United States for dealing with the hostage problems. [Deleted].

[Deleted].

Mr. **DeWine**. Thank you very much.

Thank you, Mr. Chairman.

Chairman **Hamilton**. Senator Inouye.

Chairman **Inouye**. Senator McClure.

Mr. **McClure**. Thank you very much, Mr. Chairman.

Mr. Clarridge, I have a couple of questions and they really are kind of sidelights but they are involved and I guess I'm curious at least, maybe more. [Deleted].

[Deleted].

Mr. **Clarridge**. [Deleted]. We see that a British ship, the *P&O*, I guess it was, hit one mine, took a hit in the bow.

Mr. **McClure**. One was—was there just one British ship struck?

Mr. **Clarridge**. I think just one British, but there were other friendly nations' ships struck, yes.

Mr. **McClure**. [Deleted].

[Deleted].

Mr. **McClure**. And as a matter of fact European powers have not been very sympathetic with the United States with respect to Central American policy?

Mr. **Clarridge**. It has changed in our favor over the years.

Mr. **McClure**. But at the time of the mining, it was pretty uniformly the case, was it not?

Mr. **Clarridge**. I would say, Mr. McClure, it had already shifted dramatically by 1983 and 1984. Just to use [deleted] as an example, they had completely changed their position in regard to Nicaragua. Not that they were supporting us. Not that they were helping the Nicaraguan Resistance. But they had found—they had lowered very drastically their support to the Nicaraguan regime.

[Deleted].

Mr. **McClure**. All right. Thank you very much.

Chairman **Hamilton**. Mr. Fascell is recognized for 10 minutes.

Mr. **Fascell**. Thank you, Mr. Chairman. I think I'll let that last one go.

You got a phone call from Colonel North and you jumped to. Why is that? In November of 1985, North called you on the phone, said you got to do something about [deleted]. Why did you do anything?

Mr. **Clarridge**. Because he said it was an urgent matter. He may have said it was life and death.

Mr. **Fascell**. Suppose I'd have called you up. What would you have done?

Mr. **Clarridge**. Probably done the same thing.

Mr. **Fascell**. Now you really got me. I'll try that with the CIA first chance I get.

Mr. **Clarridge**. Got to call the right person.

Mr. **Fascell**. Oh, I see. So you were tasked by the Director to do something?

Mr. **Clarridge**. No. I was not tasked by the Director.

Mr. **Fascell**. You voluntarily did it on your own?

Mr. **Clarridge**. Ollie North calls up and says that he needs some urgent assistance——

Mr. **Fascell**. Yes. I know that.

Mr. **Clarridge**. And it becomes clear that he is the national——

Mr. **Fascell**. Is he your boss?

Mr. **Clarridge**. No, he's speaking for the National Security Council.

Mr. **Fascell**. Are they your boss?

Mr. **Clarridge**. No, they are not my boss.

Mr. **Fascell**. Did you check with Casey?

Mr. **Clarridge**. No. He was not in town.

Mr. **Fascell**. Did you check with his number two?

Mr. **Clarridge**. No.

Mr. **Fascell**. You didn't check?

Mr. **Clarridge**. All I was asked to do was to provide some communications assistance.

Mr. **Fascell**. And you did it?

Mr. **Clarridge**. And I provided the communications assistance on my own.

Mr. **Fascell**. Well, let me ask you this then. Did you do anything else for North?

Mr. **Clarridge**. Well, let me think. You mean——

Mr. **Fascell**. Starting November 22d, 1985 up until the time he quit? You see what I'm getting at?

Mr. **Clarridge**. No, I don't think I did anything.

Mr. **Fascell**. Is he running you or are you running him?

Mr. **Clarridge**. No, I don't think I did anything else for him prior to November 1985. During the *Achille Lauro* affair——

Mr. **Fascell**. Did you ever tell Casey what you did for North?

Mr. **Clarridge**. In regard to the November episode?

Mr. **Fascell**. Yes.

Mr. **Clarridge**. Well, certainly.

Mr. **Fascell**. Did you tell him after the fact?

Mr. **Clarridge**. He wasn't in town.

Mr. **Fascell**. Did you tell him when he got back in town?

Mr. **Clarridge**. He was made aware of it.

Mr. **Fascell**. Yes, but did you tell him?

Mr. **Clarridge**. I cannot recollect whether I briefed Mr. Casey on what happened or McMahon briefed him or who briefed him.

Mr. **Fascell**. How about North? North briefed him?

Mr. **Clarridge**. Not that I know of.

Mr. **Fascell**. I still don't understand your relationship with Colonel North even if he is with the NSC unless you were instructed to do whatever the NSC asked you to do?

**Mr. Clarridge.** No. I was not.

**Mr. Fascell.** OK. You are a brave man. One of the few in government.

All right. Let me ask you about something else. [Deleted].

**Mr. Clarridge.** [Deleted].

**Mr. Fascell.** Is part of your responsibility—how long have you been [deleted]?

**Mr. Clarridge.** Since mid-February 1986.

**Mr. Fascell.** Is it and has it been part of your responsibility to draft reports on the state of terrorism?

**Mr. Clarridge.** Yes. We put out a lot of reporting on—not just the state of terrorism.

**Mr. Fascell.** Whatever you call that report on terrorism that goes into the National Intelligence Estimate.

**Mr. Clarridge.** Do you mean the publication that comes out every day?

**Mr. Fascell.** I don't know. No. I know what that is. I'm trying to figure out what is the report that you draft that lays the foundation for intelligence on the question of terrorism and counterterrorism?

**Mr. Clarridge.** We have agents reporting to us on what terrorist plans and intentions are. We put out reports, for instance, that put together——

**Mr. Fascell.** How about the terrorist threat——

**Ms. McGinn.** Mr. Congressman, if you could allow him to answer the question, I think it would be helpful.

**Mr. Fascell.** I am trying to short-circuit it so we don't have to fumble around. The report is [deleted], allegedly sometime in early 1986.

Now basically is that the kind of document you would prepare?

**Mr. Clarridge.** That document is prepared by the National Intelligence Officer for Counter Terrorism. We contribute to it.

**Mr. Fascell.** Exactly. Now what I am trying to figure out, since I don't understand how you guys operate, is what do you give him so he can prepare this intelligence estimate?

**Mr. Clarridge.** He receives what we call all-source intelligence, which could be from agents, from newspapers, [deleted].

**Mr. Fascell.** Is he the sole person responsible for the accumulation of the data and its analysis and its inclusion in the estimate?

**Mr. Clarridge.** No.

**Mr. Fascell.** Do you have anything to do with that?

**Mr. Clarridge.** Yes, I do.

**Mr. Fascell.** Do you sign off on something?

**Mr. Clarridge.** No, I don't sign off per se.

**Mr. Fascell.** Well, what do you have to do with it?

**Mr. Clarridge.** I have a group of people who will probably write his draft for him.

**Mr. Fascell.** I see. OK.

**Mr. Clarridge.** And then it goes into an interagency group and they'll argue about the wording.

**Mr. Fascell.** Is that assessment or report or whatever it is, that document, does it ever go to the Director?

**Mr. Clarridge.** Oh, yes. I think the Director has to sign off on it.

**Mr. Fascell.** All right. Now are you familiar with one of those reports in 1986—whether it's this one or some other one—which the Director did not forward?

**Mr. Clarridge.** Dealing with the [deleted]?

**Mr. Fascell.** He did not sign off on it. Yes. Dealing with Iran, specifically.

**Mr. Clarridge.** No. I am not.

**Mr. Fascell.** Are you familiar with the Graham Fuller memorandum of 1985?

**Mr. Clarridge.** No. I don't believe I have ever seen that.

**Mr. Fascell.** Are you familiar with the National Intelligence Estimate of 1986 which did a 180-degree turn from the Graham Fuller memorandum?

**Mr. Clarridge.** Is this again on Iran?

**Mr. Fascell.** On Iran.

**Mr. Clarridge.** Yes, I am probably familiar with it.

**Mr. Fascell.** The title for that—maybe it helps refresh your memory—is "Iran: Prospects for Near-Term Instability."

**Mr. Clarridge.** That would not come under my purview. That would be—and probably did not come under the National Intelligence Officer for Counterterrorism. That would be the National Intelligence officer for the Near East area.

**Mr. Fascell.** And the two never——

**Mr. Clarridge.** I am not saying they don't talk. You are asking where the responsibility lies. I am trying to respond to that.

**Mr. Fascell.** I am trying to find out why in the notes available to this committee a flat statement was made on the 1986 report, which was not too good in terms of Iran in that it—the assessment was Iran was heavily engaged in acts of terrorism notwithstanding, and that report was held at the CIA allegedly on the desk of the Director, and if that went through you, I wanted to know whether you had any part in that or any knowledge about it.

**Mr. Clarridge.** Well, no, I don't have any knowledge about it. That doesn't mean to say I didn't see it. I just don't have any knowledge about it. But what I would say, Mr. Fascell, is if the analysis that was done looking at the period from about 19—the summer of 1985 onward—and I can't give you the exact cut-off date in 1986, was, in the opinion of the analysts, Iranian terrorism against the United States had gone down significantly. Now, whether that was part of that report——

**Mr. Fascell.** That is part of it, because that is the part that is in dispute, obviously. And the whole question was how did it get from where it was to where it was and I guess we will never know unless we get the analyst himself up here.

**Mr. Clarridge.** That is right, but I think there was enough evidence for the analyst to feel that Iranian-sponsored terrorism against the United States had dropped off.

**Mr. Fascell.** While, as against the rest of the world, it had gone way up.

**Mr. Clarridge.** Well, it hadn't changed very much.

**Mr. Fascell.** Yes. I see. OK. In other words, it is—I understand now.

You recall Acting Director Gates informed all CIA personnel involved in the Iran affair they would have an opportunity to go back and rediscuss the matter with the Inspector General? Do you recall that?

Mr. **Clarridge**. Yes.

Mr. **Fascell**. Did you take advantage of that opportunity?

Mr. **Clarridge**. No, I didn't.

Mr. **Fascell**. Did you ever appear before the Inspector General?

Mr. **Clarridge**. I did.

Mr. **Fascell**. Just one time?

Mr. **Clarridge**. Yes. I think one time.

Mr. **Fascell**. So whatever you told the Inspector General is still your statement as of now?

Mr. **Clarridge**. Correct.

Mr. **Fascell**. All right. Thank you, very much.

That is all I have, Mr. Chairman.

Chairman **Hamilton**. Senator Inouye.

Chairman **Inouye**. Senator Sarbanes.

Mr. **Sarbanes**. Mr. Clarridge, had you had any dealings with Oliver North before the November 1985 phone call when he sought your help on moving the shipment through [deleted]?

Mr. **Clarridge**. Yes, I had. He became a member of the restricted interagency, RIG, on—the interagency group on Latin America. I can't give you a precise date.

My best guess is some time in 1983, so I saw him frequently at the meetings of that group. And continued to see him at meetings of that group, and on, as I mentioned, we either met in Central America on one occasion or I was sent down there with him.

After I left the Latin American Division, I had very little to do with him until the *Achille Lauro* affair. That was when I was with the European Division and the *Achille Lauro* affair, I believe, was maybe October 1985. [Deleted].

Mr. **Sarbanes**. What did you understand the relationship to be between Director Casey and Lt. Col. North?

Mr. **Clarridge**. Well, I think they were both admirers of each other. I think that Colonel North saw Casey from time to time. I cannot give you any real idea of the frequency.

I think he tended to see him mainly in Casey's office in the Executive Office Building.

On occasion, he came out to the Agency and saw him. But that is about the best I can do as far as what the relationship was.

Mr. **Sarbanes**. Now, you said that, I think this morning, that some time in the period between November 20th and 27th, you learned that, in fact, the shipment was HAWKs, is that correct?

Mr. **Clarridge**. I am told by the National Intelligence Officer for Counterterrorism that he showed me material—I think around the 26th or maybe the 25th, 26th, or 27th, that would clearly have indicated to me that there were weapons in that shipment.

Mr. **Sarbanes**. But when you started out, it was your understanding that it was oil-drilling equipment; is that right?

Mr. **Clarridge**. Actually, I think it was portrayed as sophisticated oil-drilling parts.

Mr. **Sarbanes**. What was your view why it required such high-level intervention in order to move sophisticated oil-drilling parts through? I mean, did you know that the National Security Adviser was calling the Foreign Minister? In effect, was stepping out of the

Geneva talks in order to call the Foreign Minister in order to move this shipment? Did you know that?

Mr. CLARRIDGE. Yes, I was.

Mr. SARBANES. You knew that at the time?

Mr. CLARRIDGE. Well, there was certain cable traffic going back and forth. I don't know if that was reported from [deleted] that indeed that was going on or whether we reported it from here. But it is all here in the cable traffic.

Mr. SARBANES. Did you wonder to yourself why all this high-level intervention was necessary in order to move oil-drilling equipment through?

Mr. CLARRIDGE. Oil-drilling equipment was still embargoed. I felt it was—at least I thought the thought, I can't say I actually went through this process. You are asking me to sort of speculate. Oil-drilling—sophisticated oil-drilling parts, [deleted], were desperately needed by the Iranian Government to keep the oil fields going and that the primary source of those parts was the United States. Obviously, they were embargoed. Maybe there was a problem in that regard.

[Deleted] didn't want to get mixed up in it. Maybe it was the question of hostage issue. They were only being told—were only allowed to tell them it was a humanitarian gesture is, I guess, how it was put.

Mr. SARBANES. When you found out it was weapons, that didn't make it more explainable to you? It was all explainable to begin with?

Mr. CLARRIDGE. Would you please repeat that question?

Mr. SARBANES. When you found out it was weapons, that didn't make all of the activity surrounding trying to get this shipment through more explainable to you?

Mr. CLARRIDGE. Well, I can't recall really, Mr. Sarbanes, whether it did or it didn't.

Mr. SARBANES. I am trying to get some sense of—I want to make some evaluation of your perceptions. I take it when all of this came and you were being told it was oil-drilling equipment and you looked at all of the activity surrounding trying to move oil-drilling equipment through, including getting the National Security Adviser to call the Foreign Minister and all of those interventions that were being made with [deleted], that didn't strike you as odd in any way? You didn't think that was an awful lot of high-level effort for this kind of shipment?

Mr. CLARRIDGE. I think anything at that point in time involving the U.S. Government and Iran was enough to raise eyebrows as to what was going on and require high-level intervention at some point to get the thing moving.

After all, everybody in the world knows that our relations with Iran were not very good, to say the least.

Mr. SARBANES. Did it come as a big surprise to you when you found out it was weapons and not oil-drilling equipment?

Mr. CLARRIDGE. I don't recall it coming as a big surprise. I can't say that.

Mr. SARBANES. Now, I want to get one thing clear on these exhibits that are under number 19. That is the [deleted] question. 19-2 is a cable that you authored; is that correct?

Mr. CLARRIDGE. That is correct.

Mr. SARBANES. Of course, you subject it, "[deleted] Assistance to Nicaraguan Project," and then as I understood it, you were critical in 19-5 of a cable from the—I guess this would be from [deleted], which was, subject, "[deleted] Assistance to Nicaraguan Project." I think you labeled him a lemming for doing that; is that correct?

Mr. CLARRIDGE. No. What I said is we are all lemmings, that people when they write cables often just take the subject line from the reference that they are writing the cable from.

Mr. SARBANES. But you are the originator of this subject line, aren't you?

Cable no. 2?

Mr. CLARRIDGE. That is right. And at that point in time, clearly there was the understanding that [deleted] had made an offer, apparently in January, of assistance to the Nicaraguan Freedom Fighters, as I have said today. My point is that clearly the cable traffic, as it moves along, indicates that [deleted] had changed their position, if they ever had that position. Yet the cable writers continued to label the subject line "Support to the Nicaraguan Resistance Project" when, in fact, some of the cable traffic makes it very clear that what [deleted] were talking about was bilateral support—or relations between [deleted], having nothing to do with the Nicaraguan project.

Mr. SARBANES. Wouldn't it indirectly have something to do with the Nicaraguan project, in any event?

Mr. CLARRIDGE. Depends on who was getting it. I suppose if [deleted] had been the recipient, then you could say there might be some connection. In the case of [deleted], I am not so sure you could say that, or even of [deleted].

Mr. SARBANES. Now, when you went out to [deleted], what was your understanding of the status of this [deleted] assistance? Before you got there.

Mr. CLARRIDGE. From [deleted] point of view?

Mr. SARBANES. Well, give it to me from their point of view and give it to me from our point of view.

Mr. CLARRIDGE. From [deleted] point of view——

Mr. SARBANES. This is before you got there, from the time you left until you arrived, what was your understanding of the situation?

Mr. CLARRIDGE. My understanding was if you look at [deleted], that is what I was operating on which is that [deleted] were proposing some sort of relationship with [deleted]. My understanding of what I was to do when I left was that the decision had been taken that I was not to ask for anything from [deleted] nor was I to accept anything from [deleted]. That was later followed up by a cable which is probably in this exhibit which underscores that.

When I got out there, [deleted] didn't offer any support to the Nicaraguan Resistance. They said that they had been approached by [deleted] which they did not name and asked if they would provide equipment and training.

[Deleted] said, you know, was that a good thing to do, and they said they would have to be paid for it. And I said [deleted]—I said no [deleted] had any money to pay you. [Deleted].

Mr. SARBANES. Just let me close on that point. I take it what you say is when you got out there, you didn't ask, they didn't offer. You both sat there and looked at each other, I guess, with some sort of expectation? No one asked and no one offered and that is how the matter stood; is that correct?

Mr. CLARRIDGE. That is correct.

Mr. SARBANES. Now, on exhibit 19-18——

Mr. CLARRIDGE. Exhibit 19——

Mr. SARBANES. Dash 18. That is a cable from you and this is after your return. This would have been in May of 1984 after you came back.

Mr. CLARRIDGE. Correct.

Mr. SARBANES. And you say the current furor here over the Nicaraguan project which you attribute the furor being over the mining, urges that we postpone taking [deleted] up on their offer of assistance and express regrets that we can't do it, we must do this at least for the time being, that we cannot crank up the assistance on a moment's notice should we decide to go forward in the future. What is the assistance you are talking about?

Mr. CLARRIDGE. We are talking about the only thing that [deleted] said, that they were prepared to offer assistance to the request that they had had from [deleted] and at this point in time for political reasons, we didn't even want them to get mixed up in Central America at all, whether with an individual country or with the Nicaraguan Resistance, whether they were being paid or not. [Deleted].

Chairman INOUYE. Senator Cohen.

Mr. COHEN. Mr. Chairman, earlier I referred to an item in Colonel North's spiral notebook and Mr. Clarridge had not had that in his book. I would like to give him a copy and review this with you.

As I look at the document, it is dated 1-14-86 and it says, "Meeting with Dick:" Correct me if I'm wrong, I'm trying to interpret what his notes say. "Meeting with Dick, options one, make Dick an agent of the Israelis; two, have President tell Cap make it work [deleted]. F-4 parts to Iran, [deleted], FAE use." Beneath that it says, "Number three, North option for Copp to act on behalf of," and below that it says, "get for Copp," and below that "call Owen, be prepared to carry currency to [deleted] for Chi Chi." Below that it says, "Call Dewey. Tell [deleted] to go to [deleted]. Tell [deleted] to back off pressure on [deleted], Re: Company's inability to move, 81 millimeter assets in grenades, et cetera, worth 350K."

Is that a fair reading of what that note says?

Mr. CLARRIDGE. Yes, I think so.

Mr. COHEN. Did you get a call from Colonel North telling you to go to [deleted] to have them back off any pressure they were putting on [deleted] relative to Secord's inability to move weapons?

Mr. CLARRIDGE. You are not going to like my answer. I don't recall getting a telephone call from him. But there is one thing I can tell you, I never sent a message telling [deleted] to tell [deleted] to back off North.

Mr. COHEN. Mr. Chairman, I ask that be entered in the record.

Chairman HAMILTON. Without objection, so ordered.

Mr. Courter.

Mr. COURTER. Thank you, Mr. Chairman.

Mr. Clarridge, you indicated that you first learned of the National Security Council operation involving Iran on Thursday, I think it was, November 21, 1985.

Mr. CLARRIDGE. Well, let's say I got a telephone call. I may not have learned about it until actually the 22d.

Mr. COURTER. You got a telephone call from North. Based on that telephone call, you directed [deleted] to assist in arranging clearance for the plane.

Now, that was something that you didn't have a great deal of time to discuss; it wasn't something that there was time for the councils of government in Washington and the Congress to get involved. It seems to me like it was a pretty immediate type of thing. The plane was airborne, was it not?

Mr. CLARRIDGE. My understanding was that the 747 was over the Mediterranean at about the time I got the telephone call.

Mr. COURTER. You may not feel comfortable commenting on a proposed Executive order on covert activities. It has been reported in the press, it is not yet in writing, but we understand that the administration is coming forward with a new executive order on covert activities listing certain types of requirements.

One of the things, according to the press, is as follows: All activity other than intelligence collection will be considered special activity subject to the requirement of a Presidential Finding. It goes on, saying that Congress should be notified within 48 hours after a Finding, but it also, in another section here, apparently they are kicking around the idea that there should be no retroactivity to Findings.

Now, it seems to me, if you are going to be a strict constructionist, if there is no retroactivity to Findings permissible in the future, if in fact there is a new Executive order or legislation on that point, and if all but collecting intelligence is a special activity requiring a Finding, you couldn't assist under those emergencies—in that type of a request, you couldn't move equipment, you couldn't clear a runway, you couldn't gain landing rights. Would that be your understanding of no retroactivity in everything except intelligence requiring a Finding?

Mr. CLARRIDGE. Yes, if you are talking specifically in that relationship to what you said to the events in November——

Mr. COURTER. Yes.

Mr. CLARRIDGE. Then I guess you can argue whether providing the NSC with what's seen as communications support in an attempt to get landing rights, if you call that covert action, then you would put yourself in the position that you are suggesting.

Mr. COURTER. My reading of this, and of course it is a press report, would be quite strict and it would prohibit that type of activity.

So my question to you is, do you think that the CIA can engage in emergency-type, legitimate emergency-type operations with a strict requirement saying unless it is intelligence gathering, it is a special activity, special activities require a Finding and there can be no retroactivity to Findings, could you live with that or would it dramatically change the type of operations that you are familiar with?

Mr. CLARRIDGE. You know I'm speculating here.

Mr. COURTER. Yes. So am I. We haven't seen anything but that is what the speculation is.

Mr. CLARRIDGE. I think what you will find will happen to deal with this problem is that we will start writing Findings on all kinds of contingency possibilities and whether we will cover all those in the process of preparing these Findings, I can't say, but I think that bureaucratically is what will begin to happen.

Mr. COURTER. I probably agree with you. I'm looking for ways to make the legalities and the requirements such that we don't have a repeat performance here, but on the other hand, when we draft recommendations or legislation or the administration comes out with a new Executive order, what is on their mind is a 6-month weapon sale to Iran and not all the things that the Intelligence Community gets involved with, and you have to be extremely careful.

I hope that this committee, as it comes up with recommendations——

Mr. CLARRIDGE. If I may interrupt, I think you also run a danger in another way by moving down this road. It is something that the Tower Commission asked me to speak to. You have already seen an example of it, nobody likes it, and I think it is very dangerous, that as you begin to pin a President down further and further in his ability to conduct covert action, and particularly in emergency situations, you will have more private enterprises in the covert action field. If we haven't learned from this recent event, then it is a real tragedy, but it is very clear that there are people as individuals and governments and groups who feel strongly enough about issues that they are prepared to put their money where their mouth is, and I think if we are not careful, we are going to see a lot more of this.

I think we've got to understand that countries who feel that they are tied to us for their own security and see our unwillingness or the inability of an administration to be able to protect what this country thinks is the U.S. national interest, you are going to see people mixing in the covert action business that shouldn't be there, and we won't have the control over it.

Mr. COURTER. I thank you for your comments. I think they are careful.

There have been a great deal of questions to you about the contents of the plane that landed there, whether it was a—we know what it was, but whether you had that knowledge or whether you thought at that particular time, as you testify, it was oil-drilling parts, and we are making a fairly substantial issue of that. And my simple question to you, would it have made any difference to you?

Mr. CLARRIDGE. That is a hard one to answer, and I'm only speculating as to whether it would have made a difference. It was something that when—I'll get—the best I can do on the answer is that when McMahon called me up, his concern was not whether it was weapons or oil-drilling parts; it was the embargo issue. Whether I would have had that same view of it at the time had I known it was weapons, I don't know. I just can't tell you. But I think it is quite likely that if I had known it was weapons, that I would have pushed it up further.

Mr. COURTER. You would have made an inquiry to a higher level?

Mr. **Clarridge**. I would have gone up to Mr. Juchniewicz and said, "Hey, this is weapons onboard," and I think that is also why I make the statement, and I suggest that other people in the Deputy Director for Operations Office make the statement that had a cable come in from [deleted] that stated that Secord has told me that this is weapons or HAWKs, or whatever it is, it would have rung some alarm bells. And you can say that maybe it wouldn't have rung them with me and people can say that, but I'm sure it would have rung them on the 7th floor.

Mr. **Courter**. You and Charlie Allen were probably the two individuals that both knew well Director Casey and Oliver North. Did you ever discuss with either Mr. Casey or Oliver North the diversion of money from Iran to Central America?

Mr. **Clarridge**. No, I never did.

Mr. **Courter**. Oliver North testified that what was in Bill Casey's mind at one time was a full capability, off-the-shelf, independent, perpetually funded source of money for various covert activities. Did you ever discuss anything along those lines with Director Casey or Oliver North?

Mr. **Clarridge**. No, I have not discussed it with either man. I think—I would just comment here, and it is speculation, that such an entity would be very appealing to the Director, who saw a role for, let us say, the private sector that went far beyond the use of the private sector by the U.S. Government. In his view it wasn't used enough. We didn't take advantage of it not only in intelligence terms, but in other terms perhaps. So I can conceive of his having at least speculated about the idea with Mr. North. I can't prove he did.

Mr. **Courter**. Mr. Clarridge, one last question. Did you ever destroy documents related to the November, 1985, shipments or direct that they be destroyed for any reason, whether it be for security reasons, whether it be in the normal course of business to reduce large filing problems?

Mr. **Clarridge**. No, I didn't, and the fact that the file exists that we have been going through today is simply a fact that I didn't say to my secretary, because normally the files on the privacy traffic were destroyed 2 months, 3 months, every division has a different procedure for doing it—I never even asked that it be destroyed, and she didn't. And I was—I felt at the time it was very fortunate that she had kept the file.

Mr. **Courter**. Thank you, Mr. Clarridge. My time is up.

Chairman **Hamilton**. Senator Inouye.

Chairman **Inouye**. Mr. Clarridge, just a simple question. We have in our files and in your files copies of cables that were sent to [deleted] strongly urging them to exert pressure to get air clearances and such for the November, 1985 flight. Were these cables cleared by the DCI or authorized by the DCI?

Mr. **Clarridge**. It depends on whether you are talking specifically authorized, in other words he signed them or told me to send them, is that your question?

Chairman **Inouye**. I am asking this because you were acting at the request of the White House, were you not?

Mr. **Clarridge**. That is correct.

Chairman INOUYE. Isn't it true that you have an agency regulation that says that whenever you are acting at the request of the White House, that action should be cleared or approved by the DCI?

Mr. CLARRIDGE. That is correct.

Chairman INOUYE. Were these cables cleared?

Mr. CLARRIDGE. The initial cables and looking for clearance for getting the aircraft into [deleted] were not cleared by my superior.

Chairman INOUYE. Why?

Mr. CLARRIDGE. Because I didn't feel it was necessary to clear those cables. He was also receiving this material himself on a real time basis in his office.

Chairman INOUYE. But wasn't this a request from the White House?

Mr. CLARRIDGE. It was.

Chairman INOUYE. Didn't the rule require you to get it cleared?

Mr. CLARRIDGE. I understand that—I guess it was read out here at some point—if you could——

Chairman INOUYE. Would you consider such pressure on the foreign government as political action?

Mr. CLARRIDGE. You are talking about [deleted] in this case, because they are the only ones that really had any pressure put on.

Chairman INOUYE. Would that be——

Mr. CLARRIDGE. Again, I think the way I saw it at the time, and as I just mentioned in another conversation, you can interpret it the way I think you are coming, that it represents covert action.

Chairman INOUYE. Or political action?

Mr. CLARRIDGE. Political action. On the other hand, the way I think I was looking at it at the time was that I was providing communication support to the White House. I wasn't putting the pressure on. The White House was asking basically that the Embassy put the pressure on.

Chairman INOUYE. So you were just the conduit?

Mr. CLARRIDGE. Yes. Now I can't say, frankly, whether I thought that process through at the time, to be honest with you.

Chairman INOUYE. Thank you very much.

Mr. Woodcock.

Mr. WOODCOCK. Thank you, Mr. Chairman.

Mr. Clarridge, would you describe your relationship with Michael Ledeen?

Mr. CLARRIDGE. Can you stand a little history?

Mr. WOODCOCK. As brief as you can make it, please.

Mr. CLARRIDGE. I was [deleted]. At some point, and I think it was in the fall of 1980, I became aware that Mr. Ledeen, and I think Mr. Shackley, had entered into some sort of a contract with [deleted].

Mr. WOODCOCK. Did you have an ongoing relationship with him during that period of time?

Mr. CLARRIDGE. I had never met him.

Mr. WOODCOCK. At what point did you meet him?

Mr. CLARRIDGE. One time I met him at the State Department when he was still there working for McFarlane, and I don't remember why I went to see him. That would have been sometime in 1983, I would guess.

Mr. WOODCOCK. Mr. Clarridge, let me direct your attention to a document which I have just had sent down to you, the lead document that is facing you is dated April 28th, and it is from the notebooks of Oliver North. The year is 1985. Down at the bottom of that page, there is a reference from North's handwriting that says "Call Clarridge re: Ledeen," and under that, "Iranian." Do you have any idea what that is a reference to?

Mr. CLARRIDGE. No. If I can speak quicker, I can come to the Ledeen episode when I first talked to him about Iran and anything having to do with that.

Mr. WOODCOCK. If you would.

Mr. CLARRIDGE. Some time in, I would guess it was in January of 1986, Ledeen talked to me about the Agency's negative attitude toward Ghorbanifar and several other proposals that Ghorbanifar had, and information that Ghorbanifar had. The reason he talked to me about it was that some of the information that Ghorbanifar had dealt with terrorism. Some of the other problems dealt with matters regarding Europe.

Mr. WOODCOCK. Was he speaking to you in your capacity as Chief, Europe?

Mr. CLARRIDGE. I was in a transition period both as Chief, Europe, and when I became [deleted]. OK? He wanted me to use what little influence I had with the Director to get the Director to order activity on these other aspects that Ghorbanifar was proposing or on which he had information.

Mr WOODCOCK. Let me back you up a little bit. If you would turn to the next document in front of you, that is a document that was provided to these committees by the CIA. It is dated December 9, 1985, and it shows an attempt by Michael Ledeen to get in touch with you and pass information on to you about Ghorbanifar's Iranian contact. Do you have any recollection of the substance of that communication?

Mr. CLARRIDGE. Could I just read it?

Mr. WOODCOCK. If you would.

Mr. CLARRIDGE. I don't remember even knowing the name—it isn't spelled right here anyway, "[deleted] coming up until well into January or even February." I never saw this.

Mr. WOODCOCK. That did not make it to you, is that correct?

Mr. CLARRIDGE. No, it did not.

Mr. WOODCOCK. You have also testified I believe on the subject of the lengthy December 4 note that Oliver North wrote that attributed you as being aware of quite a number of things that you were, in fact, not aware of, a lot of those things that were listed in the Iran initiative note, is that correct?

Mr. CLARRIDGE. Yes. There is one paper, a long explanation of what the plans are, et cetera.

Mr. WOODCOCK. That was dated December 4. There was a reference in the piece of paper that you just read in paragraph 3, and it is the author saying "I went down to EUR and talked to the Deputy Chief, who said Dewey was handling everything involved with this with [deleted]." Do you know what that is a reference to?

Mr. CLARRIDGE. No. I can't understand why [deleted] would be involved. It doesn't make any sense. I mean, this is the first time I have seen this, and if I think about it some more, I may be able to explain it, but I can't at the moment. [Deleted]——

Mr. WOODCOCK. How did Charles Allen come to occupy a position within [deleted]? You testified earlier that he wore two hats during that period of time.

Mr. CLARRIDGE. When [deleted] was formed, there was no recommendation that it incorporate the National Intelligence Office for Counterterrorism. I believe—I can't be sure—but I think it was Mr. Gates who wanted him incorporated in a sense [deleted]. And, therefore, he was given the title of Chief of Intelligence. But he still had his hat as National Intelligence for Counterterrorism and depending on the day, he wore whatever hat was most appropriate.

Mr. WOODCOCK. When he wore his Chief of Intelligence hat, were you his superior?

Mr. CLARRIDGE. Yes, but he rarely wore it.

Mr. WOODCOCK. Would that mean he would have reporting responsibilities to you?

Mr. CLARRIDGE. In theory, yes.

Mr. WOODCOCK. Did he report to you regularly on the Iran channel at all?

Mr. CLARRIDGE. No, he did not.

Mr. WOODCOCK. Is it unusual for a National Intelligence officer to act in the capacity of a case officer?

Mr. CLARRIDGE. Yes, it is.

Mr. WOODCOCK. To your knowledge, when Charles Allen took up his relationship with Ghorbanifar, was that his Chief of Intelligence hat that he was wearing or his National Intelligence officer hat?

Mr. CLARRIDGE. It had to be his National Intelligence Officer hat, and I think he even took up that relationship before [deleted]. I would have to check the record on that.

Mr. WOODCOCK. Mr. Chairman, if I might be allowed just a couple more questions.

Let me direct your attention, if I may, to the last document before you. It is dated August 5th.

Mr. CLARRIDGE. Yes. This is the August 5th operational subgroup meeting?

Mr. WOODCOCK. That is correct.

Let me direct your attention to the paragraph that is underlined, hostages, and that reads,

> There was a lively discussion on the next steps to take on the remaining hostages. The discussion touched on the possibility of Kuwaitis releasing the Dawa 17 and the conditions that would lead to that action, that is protected borders with Iran.

When Colonel North testified before these committees, he testified that in his opinion the Dawa 17 were going to be released, in any event, and that that was why he ultimately took the position in his negotiations with the Iranians that a plan to release the Dawa 17 would be acceptable to the United States. What was your position on the release of the Dawa 17?

Mr. CLARRIDGE. Well, frankly, I don't think I have ever had a firm position.

Mr. WOODCOCK. Do you recall this——

Mr. CLARRIDGE. No, I do not remember—am I noted as being at the meeting?

Mr. WOODCOCK. You are, at the top of the paragraph.

Mr. CLARRIDGE. Well, I don't remember this particular discussion, but in any event, this issue of the release of the Dawa and all of that was much more appropriate for the State Department to address from a policy point of view than it was an intelligence question.

Mr. WOODCOCK. Did you ever pass to Colonel North an opinion of yours or an opinion of the Agency's that the Kuwaitis were inevitably going to release the Dawa 17 at some point?

Mr. CLARRIDGE. No, I certainly didn't pass any opinion, and I don't have any. That doesn't mean to say there wasn't one. In fact, I don't agree with it.

Mr. WOODCOCK. Thank you, Mr. Clarridge.

Chairman HAMILTON. The chair yields 10 minutes to Mr. Stokes.

Mr. STOKES. Thank you, Mr. Chairman.

Mr. Clarridge, on page 137, of your deposition, you are asked on this page by Mr. Barbadoro if you knew anything about a plan in 1986 involving DEA officials and their contacts to pay bribes to certain officials [deleted] to gain the release of hostages. Your answer to him was, "No, I do not."

Is there anything about that answer that you would change today?

Mr. CLARRIDGE. No.

Mr. STOKES. The answer remains the same?

Mr. CLARRIDGE. I was only aware, as I think I said in here, that there were some DEA officers on Cyprus working the problem on hostages. I don't know whether they were sent there for that or were permanent people there. [Deleted].

Mr. STOKES. [Deleted].

Mr. CLARRIDGE. [Deleted].

Mr. STOKES. You became [deleted] at the CIA in February of 1986. There were a couple of working groups that focused on the terrorist issue. One was known as the TIWG, the Terrorist Incident Working Group; another was the OSG, which I believe stands for Operations Sub-Group. Did you at any time have discussions about these DEA operations with these working groups?

Mr. CLARRIDGE. Well, I don't think the TIWG has met, certainly since I became involved in the counterterrorism problem. It usually only meets when there is an incident like a hijacking, and they may have in the case of Pan Am 73.

The operational subgroup that I attended, I don't recall any discussion about DEA operations.

Mr. STOKES. When you say you don't recall, does it mean that it could have occurred?

Mr. CLARRIDGE. I mean, I suppose it is possible, Mr. Stokes. But I simply don't remember DEA operations ever being discussed there, at all.

Mr. STOKES. So your best recollection is that you have never had a discussion with them about DEA operations?

Mr. CLARRIDGE. In this group, yes.

Mr. STOKES. With this group?

Mr. CLARRIDGE. Or with DEA itself.

Mr. **Stokes**. OK. Were these working groups to your knowledge generally aware that Colonel North was in charge of these DEA activities?

Mr. **Clarridge**. I can't say, because it never came up.

Mr. **Stokes**. As we go over Colonel North's notebooks, they reflect a wide range of activities trying to obtain the release of hostages. Many of the activities related to his contacts with [deleted]. What did you know about Colonel North's activities with [deleted] in obtaining the release of hostages?

Mr. **Clarridge**. Well, I think the OSG group was well aware that he had a connection with [deleted], and then I think there was another [deleted]—maybe from [deleted]. And I can't recall his name.

Mr. **Cohen**. I am sorry? Can we——

[Discussion off the record.]

Mr. **Stokes**. You can withhold on that. I think we will make other provisions for you to respond to that under different circumstances.

Chairman **Hamilton**. Proceed. Do you have further questions, Mr. Stokes?

Mr. **Stokes**. On the 13th of September 1984, there were also some calls between you and Colonel North. That is exhibit 25. This is Colonel North's notebook. The entry that I want to refer to there is 1710, "Clarridge re: HPSCI" because HPSCI is the House Permanent Select Committee on Intelligence, is that correct?

Mr. **Clarridge**. Correct.

Mr. **Stokes**. You go down and detail what occurred at that meeting. The meeting was on the 12th of September. Apparently you discussed questions with Mr. McCurdy, Mr. Fowler. You also note what Mr. Motley, then the Assistant Secretary of State for Inter-American Affairs, had to say. There is a notation about [deleted] and about [deleted], relations probably with [deleted], and then some discussion about funding. It says "think money is going direct to Calero, who won't tell us, very good chance money is coming from patriotic Americans and other foreigners who feel strongly."

A couple questions. Firstly, did you feel a responsibility to inform Colonel North what went on or what you said and what others said in executive session here in the Congress?

Mr. **Clarridge**. I can't read this very well. No. I don't remember ever telling him what went on at a HPSCI meeting. There was certainly—this says that I did, but I don't understand what I was saying here.

I can't really understand it all. Some of it I can.

Mr. **Stokes**. It appears or is apparent, is it not, that you related to Colonel North what took place at an executive committee session of HPSCI?

Mr. **Clarridge**. If I could understand the writing better, then I would be able to comment, but it looks like I made at least some comments to him on what happened there.

Mr. **Stokes**. Well, it refers to McCurdy's questions. That is clear.

Mr. **Clarridge**. McCurdy's questions re: NSPG on—and I can't read the rest.

Mr. **Stokes**. Looks like [deleted]. Something like that.

Mr. **Clarridge**. Well, that doesn't mean anything to me. Motley said——

Mr. **Stokes**. Motley was present with you on that occasion?

Mr. **Clarridge**. He was?

Mr. **Stokes**. Was he?

Mr. **Clarridge**. I have no idea. Motley said we are—I don't know.

Mr. **Stokes**. The next page, where it says, "Clarridge call continued." Are you able to make out anything there? "Fowler ——"

Mr. **Clarridge**. "—positioning himself to—"

Mr. **Stokes**. That would be Congressman Fowler; right?

Mr. **Clarridge**. I would assume so. Was he on the committee in 1984?

Mr. **Stokes**. In 1984, he was.

Mr. **Clarridge**. I can't read the rest of the writing.

Mr. **Stokes**. Well, would you say that this was not something that Colonel North just manufactured?

Mr. **Clarridge**. Oh, no.

Mr. **Stokes**. In all probability, you must have talked to him?

Mr. **Clarridge**. Certainly.

Mr. **Stokes**. Then I come back to why would you be discussing with him matters related to an executive committee testimony with HPSCI?

Mr. **Clarridge**. Well, I don't know. Is that against the law?

Mr. **Stokes**. Well, I don't know whether it is against the law or not. I am just wondering what your policy was.

Mr. **Clarridge**. I mean, I think, Congressman Stokes, I am not trying to be difficult. We had a—a Restricted Interagency Group that had a number of people who attended it who also attended executive sessions of various committees of Congress. Frequently what happened at those committees were discussed with members of the interagency group.

Mr. **Stokes**. So then it would have been customary to call Colonel North and discuss it with him?

Mr. **Clarridge**. No. No. I wouldn't say it was customary at all.

Mr. **Stokes**. Were you under any instructions from Mr. Casey or anyone else to discuss——

Mr. **Clarridge**. No. No. I certainly was not.

Mr. **Stokes**. I see. So whatever way this occurred, you have no—firstly, no recollection of the call? And then, secondly, no remembrance as to why you would have talked with him?

Mr. **Clarridge**. No, I don't. These notes don't sort of lend themselves to that.

Mr. **Stokes**. OK. Thank you.

Thank you, Mr. Chairman.

I yield back subject to whatever provision you wanted to bring in with reference to the question that we reserved on.

Chairman **Hamilton**. Thank you very much.

The chair, without objection, will make a part of the record DRC-1 through DCR-34.

Chairman **Hamilton**. Also CIA memorandum, one dated December 9, 1985, subject, "Ledeen phone call," and a second memorandum dated August 5, 1986, a National Security Council memorandum, subject, "Operations Sub Group terrorist incident working group meeting." Also a part of the record, notes by Lt. Col. North dated 26 and 28 of April, 1985.

[The information appears in appendix B.]

Chairman HAMILTON. The chair recognizes Mr. Liman.

I am sorry. Senator Cohen?

Mr. COHEN. When you include the records, I think 1 through 34, would that be subject to any redacting of otherwise sensitive information that we may want to pursue in a smaller session?

Chairman HAMILTON. Yes. It would be subject to such redacting.

Mr. COHEN. I am thinking of exhibits 3 and 9, in particular.

Chairman HAMILTON. We will take special note of that.

I thank the Senator.

Mr. Liman.

Mr. LIMAN. Mr. Clarridge, you were completing your term as [deleted] the Latin American Division before the Boland Amendment prohibiting CIA support for the Contras came into effect, am I correct?

Mr. CLARRIDGE. Yes. If that was 1 October 1984?

Mr. LIMAN. Yes.

Mr. CLARRIDGE. Yes.

Mr. LIMAN. Prior to that, the CIA was providing military and paramilitary assistance to the Contras?

Mr. CLARRIDGE. Correct.

Mr. LIMAN. Who did you contemplate would take charge of the care and feeding of the Contras once the CIA was out?

Mr. CLARRIDGE. As I think I have stated today, and I have stated in various depositions, the hope was that the President would be able to pull it off again and get the Congress to support aid to the Freedom Fighters.

Mr. LIMAN. Well, in the interim, between the time that the CIA was out and the time that Congress might appropriate money, who did you think would be in charge of the care and feeding of the Contras?

Mr. CLARRIDGE. My instructions were to draw down on our presence [deleted] and to get ready to cut and run.

Mr. LIMAN. Let me put it differently. Did you understand that the NSC staff would be filling the vacuum?

Mr. CLARRIDGE. No, I did not.

Mr. LIMAN. And Colonel North never told you in any of his conversations that he had been tasked to do so?

Mr. CLARRIDGE. He never told me that he was tasked to take over the support to the Contras. I became aware of his efforts through various things that he said to me over a period of time that he was struggling to do this.

Mr. LIMAN. Did you ever have any discussion with him as to whether the Boland Amendment applied to the NSC staff?

Mr. CLARRIDGE. I believe at one time that I suggested to him that he find out from lawyers whether it did.

Mr. LIMAN. And what did he say to you?

Mr. CLARRIDGE. I don't recall.

Mr. LIMAN. And do you recall when it was you made that suggestion to him?

Mr. CLARRIDGE. I don't know because this would be simply a guess.

Mr. LIMAN. OK.

Mr. CLARRIDGE. You don't want me to guess?

Mr. **Liman**. Let's call it a best recollection and then you could say it.

Mr. **Clarridge**. I would guess some time in late 1984.

Mr. **Liman**. Did you ever discuss that with Director Casey?

Mr. **Clarridge**. No, I did not. I saw very little of the Director from the time I left the Latin America Division until in October 1984—until December 1985.

Mr. **Liman**. Now, you also said before that Director Casey was interested in using the private sector more in covert operations?

Mr. **Clarridge**. No, I said that Director Casey was interested in using the private sector more in the totality of support not only to the collection of intelligence, but to various other things that it could do for the U.S. Government.

Mr. **Liman**. What did he say to you that gave you that opinion?

Mr. **Clarridge**. [Deleted].

[Deleted].

But he simply felt we didn't use it enough and he made a big effort to improve on that.

Mr. **Liman**. Did he ever express to you the view that the private sector could do this work more effectively because it wasn't under the same restrictions as the CIA?

Mr. **Clarridge**. No. He never did. And I was speculating or to use your phrase——

Mr. **Liman**. Best recollection?

Mr. **Clarridge**. Best recollection—well, it doesn't really apply to this. I can imagine that what Colonel North said that the Director might have been interested in what the private sector could do in the covert action field.

Mr. **Liman**. The last few questions.

In your profession, you come across cover stories frequently, is that so?

Mr. **Clarridge**. Oh, yes.

Mr. **Liman**. And they—cover stories, if they are to have any chance of working, are supposed to have a degree of plausibility?

Mr. **Clarridge**. Correct.

Mr. **Liman**. Did it ever occur to you when you were told about the cargo being oil-drilling parts that that might be a cover story?

Mr. **Clarridge**. Yes. As I said, I think in my deposition, I was not unaware that there were various arms deals going on or that Iran was trying to work out—or that people were trying to work out with them, most of which apparently were scams of some sort. I am sure that that crossed my mind.

I can't prove it did, but I am sure it crossed my mind.

Mr. **Liman**. Did you ever at the time say to Colonel North is that the cover or is that the truth?

Mr. **Clarridge**. I can't recall having said that.

Mr. **Liman**. It seems to me, certainly to me, that when we came to November 1986, about half the people were using the cover story and the other half using the reality, and I was just wondering whether you had ever discussed with North at the time, in 1985, is this a cover story?

Mr. **Clarridge**. No, I can't say that I did.

Mr. **Liman**. And you never suggested it as the cover story?

Mr. **Clarridge**. No, I never did.

Mr. LIMAN. All right. Thank you, Mr. Chairman.

Chairman HAMILTON. The chair wants to remind members and all persons present that this is an executive session and under the rules of the House and the Senate we are not to talk about and we are not to reveal any information that has been learned here today.

Secondly, the chair would request that we release the declassified testimony of Mr. Clarridge as soon as it is ready.

Is there any objection to that?

If not, it is so ordered.

Mr. Clarridge, we thank you very much.

Mr. MCCOLLUM. Mr. Chairman, I had 5 minutes, I believe.

Chairman HAMILTON. I am sorry. Mr. McCollum, you are right. The chair recognizes you for 5 additional minutes.

Mr. MCCOLLUM. I do want to clarify something. This morning in my direct questioning you testified to something that upon reflection I found to be really quite incredible, and that is that in the process of setting up the Iranian initiative, Director Casey initially wanted to use the CIA to do the whole—run the whole operation, but that because of those underneath him, Mr. McMahon, Mr. George, other people, you didn't name them all, but we ran through some of them.

Mr. CLARRIDGE. Yes. But I cannot speak for some of those people.

Mr. MCCOLLUM. I understand you cannot, but people in the Agency, under him, not wanting to deal with Mr. Ghorbanifar, not liking the situation with him, that only the logistics operations were kept with the Agency and Colonel North wound up running the other operation, or NSC wound up running it.

I don't know which interpretation to place on this. Therefore, I want to ask you so there is no question about it: Was it your understanding that Director Casey's desires to run this were expressed to people in the Agency and because they had these feelings about Ghorbanifar he decided it wasn't a good idea to press this on them? Or did we have a situation where Director Casey really ordered his people and they wouldn't do it?

Mr. CLARRIDGE. I can't give you a final answer on that. All I know is what he said to me. I would guess it is the former. That he sensed or he knew from the discussions with others that they did not favor dealing with Ghorbanifar because he was a scumbag—maybe I shouldn't say that.

Mr. MCCOLLUM. Whatever you want to say. It is all right. He's been described in many ways openly and publicly. You can call him anything you want in here.

Mr. CLARRIDGE. He couldn't pass the polygraph even to get his name right. I think that was the feeling they had and I think the Director sensed that there wasn't support down there and, therefore, never pushed the issue. But that is only, you know, sort of sensing.

Mr. MCCOLLUM. You do know and you have testified to us that at least we know for a fact that Director Casey had a preference for the Agency initially running the whole thing?

Mr. CLARRIDGE. I know that for a fact.

Mr. MCCOLLUM. I have another followup question to this morning's questioning.

[Deleted].

[Deleted].

Mr. **McCollum**. I understand completely what you mean. I think that is why we need to have an understanding and general public acquiescence in changing some anti-terrorist policies if we are going to be successful. To some degree or other, whether it is on specifics, we certainly need to do that. We certainly need public debate to change that climate. I think you would agree with that?

Mr. **Clarridge**. Yes. I think probably the climate is there.

Mr. **McCollum**. Let me conclude by saying that there are some of us that think you are doing a heck of a job in this area. We appreciate it and are grateful for it. Keep it up.

Mr. **Clarridge**. Thank you very much.

Mr. **McCollum**. Thank you.

Thank you, Mr. Chairman.

Chairman **Hamilton**. The Chair would point out that redactions should be made and are necessary in exhibit 16, the references to [deleted].

Are there any other questions?

If not, Mr. Clarridge, let me express my appreciation on behalf of the two committees to you again for your testimony. You have been helpful and you are excused, sir.

Mr. **Clarridge**. Thank you.

Chairman **Hamilton**. We will have a 10-minute recess and then begin with [*C/CATF*].

[Recess.]

Chairman **Hamilton**. The joint committees will come to order.

Our witness this afternoon is [*C/CATF*]. [*C/CATF*] would you stand please and raise your right hand.

[Witness sworn.]

## TESTIMONY OF [*C/CATF*]

Chairman **Hamilton**. Do you have an opening statement, [*C/CATF*]?

[*C/CATF*]. I have a few opening comments that I would like to make. It is not a prepared statement.

Chairman **Hamilton**. Please proceed.

[*C/CATF*]. I would like to thank the committee for the very thorough arrangements that were made for my appearance here and protecting my identity. [Deleted] and I appreciate the arrangements made to get me into this room avoiding publicity.

Second, I would like to thank the committee for the opportunity to appear here. References to my name have come up many times in these hearings, and I think it is proper that I have a chance to make my comments, answer your questions and get my story or my perspective on the record for you to hear personally, and I thank you for that opportunity.

Thirdly, I would ask in these proceedings that we try to proceed chronologically because my situation or the situation in which I found myself changed chronologically from 1984 to the summer of 1985, when the laws changed. Then again in December of 1985 when the laws changed again and then again in the fall of 1986, when the laws changed again. And at each time, block of time, my involvement, my level of acknowledgeability changed and that was because I understood from the very beginning the position in which I was found.

Some of you will remember October and November of 1984 when the Tayacan manual, in the press known as the Murder Manual, flap hit. I was new in the task force at that point in time and likened my position to a cap thrown in a dryer, tumbling and trying to figure out what was happening to me.

I learned that I was in a charged political environment, that there were perils on all sides and I was going to have to learn to live in that environment and be very astute if I was to survive and I did that. Each step of the way I had the laws in mind, the political dynamics in mind, and I knew almost from the beginning that I was caught between the dynamics of a giant nutcracker of the Legislative on the one hand and the Executive on the other, and I was in the center in a very exposed position.

There were those who said I was not smart for taking the job but the Director had asked me to do it and I believed in what he had asked me to do, and so I did. During the 3 years that I have been in that job and particularly the 2 years that are the question of inquiry of the committee, I worked to serve the administration, the Executive, within the bounds of the law as laid down by the Executive, by the Legislative and to do so to the fullest of my ability and to in every way possible work with the Congress to change that law and to clear the contradiction that was at play to try to get myself out of the nutcracker I found myself in.

It was clear to me then, it is clear to me now that the words of Abraham Lincoln are as true as the sun rising in the east every morning—a house divided against itself cannot long endure, and in Nicaragua and in Central America we were clearly a house divided against ourselves and we had to change it. And I think that is what this hearing is all about.

I am here to answer your questions how I handled myself during this period, why I did what I did, what my logic was. I don't claim that every decision I made was the right one. If I could turn the clock back I might do some things different, but not many. And in the end, I hope two things happen—one that the House is no longer divided and second, to persevere in Central America, because if we don't, I don't want to think what the 21st Century will be like for us as a great nation.

Thank you.

Chairman Hamilton. Thank you. Questioning will begin with counsel, Mr. Carome.

Mr. Carome. Thank you, Mr. Chairman.

Good afternoon [*C/CATF*]. What date did you become the Chief of the Central American Task Force?

[*C/CATF*]. On or about 9 October 1984.

Mr. Carome. Am I correct that that is just within a day or two of the effect of the full Boland Amendment?

[*C/CATF*]. As I recall the full Boland Amendment actually was signed into law on 11 October 1984.

Mr. Carome. When did you start work at the CIA?

[*C/CATF*]. June of 1967.

Mr. **Carome**. And if you could very briefly summarize the positions you have held?

[*C/CATF*]. [Deleted].

[Deleted] was scheduled to come back and to take the job that I had really hoped to take, it was my career ambition to be [deleted]. Director Casey asked me in I think it was August of 1984 to take this job or to take a new job—Clair George actually told me what the job was, Chief of the Central American Task Force—and I began to study in for that job in mid-September of 1984 and have been in it ever since.

Mr. **Carome**. This current position you have was your first CIA position that related in any way to Central America, is that right?

[*C/CATF*]. Yes, it is.

Mr. **Carome**. Could you give me a three-sentence description of what the Central American Task Force is?

[*C/CATF*]. It is the headquarters element of the Central Intelligence Agency which manages our operations in Central America. It is a unique entity in that it is self-contained. It has a support apparatus that is normally found in an operating division. It has a reporting line that goes through [deleted] but also directly to the DDO and under Director Casey, directly to the DCI. It also is unique because it has a heavy operational element in dealing with various assets and various programs, unlike other divisions, which are mostly managerial.

Mr. **Carome**. Do you use any code names?

[*C/CATF*]. Yes, I do.

Mr. **Carome**. What are they?

[*C/CATF*]. [Deleted] and [deleted], in this job. I've used other names in other jobs.

Mr. **Carome**. Which of those code names if any would Oliver North have known?

[*C/CATF*]. [Deleted]. I don't think he knew the [deleted]. If he did it was not central.

Mr. **Carome**. What is your understanding of the law as it applied between October 1984, when you took your job, and August 1985 on the subject of Central Intelligence Agency passing intelligence to the Contras?

[*C/CATF*]. It was my understanding that intelligence could not be passed to the Contras, period. There was one point that was a matter of discussion in the law and that was whether or not we could pass defensive intelligence to the Resistance forces. We met with the intelligence committees, particularly the House Intelligence Committee, debated that issue and finally came down to the fact that it probably was not something that was politically wise to do but under extenuating circumstances we probably could.

Mr. **Carome**. Was it permissible for you to pass intelligence information to Colonel North and for him to then pass information on to the Contras?

[*C/CATF*]. No, I would not think so.

Mr. **Carome**. During that timeframe did Oliver North ever ask you for intelligence information relating to Nicaragua?

[*C/CATF*]. Yes.

Mr. **Carome**. Did you sometimes provide it?

[*C/CATF*]. Never when I thought it was going to Nicaragua. As a matter of fact, many times when I thought that was where it was going I did not provide it. When I was told that it was to be used in the context of his White House job, I think it is important to say here that he was the central figure for the administration on Central American policy during the period in question, and there were unique circumstances that created that circumstance. I would provide it to him and did I think as I go back and reflect and look at some of these exhibits, which thanks to the committee I have seen, might have from time to time but mostly I did not.

Mr. CAROME. Robert Owen has testified to this committee that in mid-November 1984 North gave him intelligence, including maps, to take to Contra leaders for use in a possible operation to take out Hind helicopters. Owen said that North told him that these maps had come from across the river and that that meant either the Pentagon or the CIA.

My question is, were you aware at the time that Oliver North was seeking to obtain intelligence relating to the Hind helicopters and seeking to pass that intelligence to the Contra leadership?

[*C/CATF*]. Let me take the question in two parts. During the time that the Hind helicopters were delivered to Central America and Nicaragua, I was very much aware that not only North but everybody in the U.S. Government and Congress and the press was trying to seek information on exactly what was delivered. There was first a thought that they were MIG-21s which called into place serious political questions and questions as to whether or not they were in fact Hind-21s. There was an intense exchange that took place within the administration, particularly with the White House and particularly with North, about whether or not they were Hind-21s. There were also discussions about what options were to exercise contingency plans or to exercise markers which had been laid down by the administration.

So in that context, yes, I was very much aware that Oliver North, others at the highest levels of the government were deeply and intensely interested in following this matter and were seeking intelligence from multiple sources.

The second question: Was I aware that Oliver North was seeking intelligence on that issue to pass to the Nicaraguan Resistance. There were meetings that I attended in the Department of State under the chairmanship of Ambassador Motley where the whole issue of how to deal with the MIG-21s was discussed. One particular issue discussed was whether or not CIA could exercise a particular contingency plan which had been laid out prior to the Boland Amendment. I said we could not and repeated the law. I was aware that Oliver North was interested in exercising sort of an option like that or looking at options. I cannot recall a specific awareness that he was looking for intelligence to take out the Hind-21s and was seeking for intelligence to pass to the Contras on that subject.

It is possible that 2 or 3 years ago I was aware of it, but I don't recall specific knowledge of that.

Mr. CAROME. Would you please turn to exhibit 1. Exhibit 1 is a memorandum dated November 7, 1984 from Oliver North to Robert McFarlane. It indicates that North was trying to get intelligence information to Calero to take out the Hinds. In the middle of page 1 it states that Mr. North had on the evening of November 5th called Bob Vickers, NIO for Latin America, and General Paul Gorman and asked them for all we had on the location of the Hinds. Were you familiar that such a request had been made on November 5th?

[*C/CATF*]. I could have been. I don't recall specifically.

Mr. CAROME. Turn to the middle of page 2—at the beginning of the last paragraph it states, "the meeting with Calero was terminated by 5 p.m. and then after the CPPG meeting I again called [*C/CATF*] and asked for any further updates on the Hinds and on new information on the MIGs."

Does that refresh your recollection that Colonel North was speaking directly to you and asking you for intelligence information on taking out the Hinds at that time?

[*C/CATF*]. As I told you, it does not bring back specific memories but I know that we talked about the MIGs until about a year ago or the deliveries. [Deleted]. It was an intense discussion and in his capacity as the focal point for the NSC and the White House on this subject, I talked to Ollie a lot about those things. I don't remember the details of those discussions in passing information to him, but I undoubtedly did do that.

Mr. CAROME. When you did that did you do anything to make sure that that information was not being passed on to the Contra leadership?

[*C/CATF*]. I didn't pass it to the Contra leadership. At that time I had been in my job for 6 weeks or thereabouts and had no reason, I don't think, to believe that Oliver North would have been doing that at that point in time, and frankly wouldn't have probably said, Ollie, don't you pass this to the Contras, because I am not sure I had developed much of an understanding.

Mr. CAROME. But you knew that would have been illegal if that had occurred?

[*C/CATF*]. I would have known that I couldn't have passed the intelligence to the Contras, and as you will hear throughout this testimony, I couldn't do with Ollie something that I couldn't have done myself directly and that was my guiding light in dealing with Ollie for the next 2½ years.

As I would talk to him, racing through my mind would be, could I do this myself. So the answer is I would have known I couldn't have done that, and it would not have been proper for me. Whether or not it was legal for Ollie to do it, at that point in time, I don't think the thought crossed my mind. It does, as you'll hear my testimony, at a later date.

Mr. CAROME. In February 1985, there came another occasion where, according to the testimony of Robert Owen, Oliver North gave him maps to take to the Contra leaders for use in a military operation on the [deleted], Nicaraguan border. Mr. Owen has testified that the maps that were originally provided were too large for him to take down surreptitiously to Nicaragua and that he was in Oliver North's office when Oliver North called you to ask you to provide maps of a suitable size to take down to the Nicaraguan leadership.

Do you recall that event in February 1985?

[*C/CATF*]. I am trying to recall what was happening with the Resistance in February 1985. I do not recall that specific event. I think I have testified to that 3 or 4 times in various depositions and such, and don't think that—I don't recall that conversation having taken place, no.

Mr. CAROME. If in February 1985 Oliver North asked you for maps relating to activity on the Nicaraguan-[deleted] border, would you have provided it to him?

[*C/CATF*]. No. As a matter of fact I would have found some way to have avoided doing that if that is what it was for.

Mr. CAROME. Would you please turn to exhibit 2. Exhibit 2 is an entry out of Oliver North's notebooks dated February 8, 1985, the time we were just talking about. At 7 o'clock there is an entry that says maps delivered by [deleted], and 15 minutes later at 7:15 it says meeting with Rob Owen. That appears to relate to the incident that Mr. Owen testified about.

[*C/CATF*]. No. There is another meeting, another entry there, they are two things. I am going to be a little bit particular here. The meeting with Rob Owen was 5 minutes after the map is alleged to have been delivered, meaning he was not in the room probably.

Secondly, there is a 9:30 meeting with Ronald Reagan and so on. If I had delivered a map to Oliver North and it looks like I did, [deleted] was a person who worked on my staff—it would have been because Oliver North said I need this to brief the President, and that is the way he dealt, bombastically, and you would push and push and push and the decision I had to make each time a segment came in was whether or not it was for his NSC job or something else.

At the time the Resistance forces were withdrawing, the Nicaraguans were getting ready to make their first incursion at some point in time [deleted], and it is very likely that he pushed and said I need intelligence on this. He did that frequently and each time I had to respond in a way that I felt was in keeping with the law and in keeping with his position to work in the NSC. So if I did that and I don't recall that particularly, I vaguely recall in the back of my mind [deleted] carrying a map down or doing some work, it was not specific enough to be of any tactical use and was meant for briefings at the White House in his position with the NSC as far as I knew.

Mr. CAROME. Did Oliver North tell you at that time that these maps were going to be produced to Robert Owen?

[*C/CATF*]. No.

Mr. CAROME. Did you know at that time who Robert Owen was?

[*C/CATF*]. I don't think at that early stage I knew who Robert Owen was. I would put my understanding of who Robert Owen was later in 1985.

Mr. CAROME. Specifically do you recall Oliver North calling you and telling you that the maps that were provided for Owen were too large and that he needed smaller maps?

[*C/CATF*]. I don't recall him doing that. I don't recall him calling me and telling me maps were too large or that he had given them to Robert Owen.

Mr. **Carome**. Would you please turn to exhibit 3. Exhibit 3 is a memorandum dated February 6, 1985, from Oliver North to Robert McFarlane. This is one of the documents that Mr. North saw fit to alter in November 1986. It refers to efforts to seize or sink the Nicaraguan merchant ship, the *Monimbo*. Were you familiar with the plans to seize or sink that ship in February 1985?

[*C/CATF*]. Yes. [Deleted].

[Deleted].

Mr. **Carome**. This memorandum specifically refers to providing intelligence information to Calero so that he could take action to seize or sink the ship.

Did you have knowledge of those plans?

[*C/CATF*]. That was not my operation. I don't think I had knowledge of it. I would not have condoned it, because that was clearly something that I wouldn't have been involved with at that point in time. [Deleted].

[Deleted].

Mr. **Carome**. But you specifically do not recall, discussing the provision of intelligence to Mr. Calero?

[*C/CATF*]. No. If it would have come up, I would have told him we can't do that. That was clearly something that we could not do.

Mr. **Carome**. Did you provide intelligence information to North on [deleted] the *Monimbo* during the month of February, 1985?

[*C/CATF*]. Not specifically that I can recall, but I would add to you that that intelligence is readily available [deleted]. It's around.

Mr. **Carome**. [Deleted].

[*C/CATF*]. [Deleted].

I didn't call and pass that intelligence and say, "Now, Ollie, you can pass it to Calero and do the job." You must remember—and I know it's difficult to understand—but you have got to remember that the key figure on policy in Central America during this period, I mean the key figure, was Oliver North.

Let me take a minute and tell the committee why. There was—the Central American Directorate in the National Security Council was Constantine Menges. The Assistant Secretary of State for Latin—Inter-American Affairs was Tony Motley. They fought like cats and dogs. Motley would not hold a meeting with Menges in the room. They couldn't talk to each other.

Also, because of what had happened earlier at the negotations—the bilateral negotiations between the United States and Nicaragua, there was tension at play in the system. And, essentially by default, Central American policy in its execution and to a large degree in its formulation fell to Oliver North. He was the person that filled the void and who dealt with these things by dint of the void and by dint of personality, and he did it, and he was the person who moved and formulated and pushed and cajoled, and I think the committee has seen enough of his personality they can understand how that happened and why that happened.

When he called and asked me about that, the conversation probably went something like, "[*C/CATF*], McFarlane wants to know is this and this and this happening? Where is this? How is this going down?"

[Deleted].

But he knew. There is very little—and you will hear this as the day goes on—that happened in Central America that I didn't talk to Ollie about, particularly up through sometime in April of 1986. I mean it was a very unabridged conversation, because he was the man on the National Security Council with the responsibility for the administration for this program.

So I might have done that. In fact, I probably did. But I didn't do it to somehow get the intelligence to Calero. Frankly, I don't do dumb things. It would have been a dumb thing to try to run this operation [deleted].

Mr. COHEN. [Deleted].

[*C/CATF*]. [Deleted].

Mr. COHEN. Thank you.

Thank you, Mr. Chairman.

Mr. CAROME. [*C/CATF*], when you provided intelligence information to Mr. North on these various occasions during the full Boland proscription, did you take any steps to ensure that he would not pass that intelligence to the Nicaraguan leadership? The Contra leadership?

[*C/CATF*]. Not specifically, no. Except that I did at one point fairly early on—and I would have had—I had several times asked Ollie if he was sure everything he was doing was legal, and he assured me that he was doing everything legal and was within the law.

Mr. CAROME. By early 1985—let's say March 1985, I take it that you had a knowledge that Oliver North was playing a role in locating arms for the Contras; is that right?

[*C/CATF*]. By that time, I knew that Oliver North was playing a role in a—in supporting the overall Nicaraguan—in supporting or facilitating support to the overall Nicaraguan Resistance.

Mr. CAROME. You knew he was playing a role in locating arms for the Contras, didn't you?

[*C/CATF*]. In seeing that arms were provided to the Contras; I knew he was providing a role in seeing arms were provided or helping in facilitating provision of arms to the Contras and that was causing—and could affect—and caused that to happen but not that he was playing a specific and direct role in doing it, in executing it at that point in time.

Mr. CAROME. You also knew at that time that Richard Secord was playing a role in getting arms to the Nicaraguan Contras; is that correct?

[*C/CATF*]. In a very narrow sense, yes. I think that——

Mr. CAROME. I refer you to exhibit 5.

[*C/CATF*]. Exhibit 5?

Mr. CAROME. Exhibit 5 is a cable dated March 5, 1985—do you have that in front of you, exhibit 5?

[*C/CATF*]. Yes, I do.

Mr. CAROME. That cable refers to a purchase in, I believe, [deleted] of ammunition of various sorts by Richard Secord to be provided to the Contras; is that correct?

[*C/CATF*]. Yes, it is.

Mr. CAROME. And so by March of 1985, you were aware that Richard Secord was involved in the provision of arms to the Contras; is that right?

[*C/CATF*]. I must have known that. I do not recall that specific cable. What I recall is a much earlier—I think earlier cable that talked about provision of SA-7s from [deleted]; but, yes, I knew that.

Mr. CAROME. When you received an intelligence report such as this, is that the kind of thing that you would then go and talk to Oliver North about?

[*C/CATF*]. We would disseminate it through sensitive channels, and I would not necessarily pick up the telephone and talk to Oliver North about it, but he would see it and from time to time we might talk about it. He might call me and ask me about it and want to know further details about it as was his want to do.

Mr. CAROME. In your deposition before this—one of these committees on May 1st, 1987—and you have that in front of you—it's the binder right by the lights—you were asked a question at page 28, "Did you discuss with North whether Secord was working with him in getting arms for the Contras?

"Answer: No. Not to my recollection. I stayed away from it. I didn't want to get involved, and I must tell you that I knew that Ollie would see that intelligence report."

That is referring to exhibit 5 here.

"I knew that Ollie would see that intelligence report, but I wouldn't just up and down and say, 'Look at this.' "

Was that your testimony that day?

[*C/CATF*]. That was my testimony. It is still my testimony to this date.

Mr. CAROME. Why would you not want to get involved in telling Oliver North about an intelligence report such as this?

[*C/CATF*]. It reflects back to my comments that I made in my—earlier on in my testimony. I knew by—certainly by March of 1985, that I was in a precarious position, and I had to make each decision I made based on the laws and based on staying with—keeping the Agency within the bounds of legality that I have discussed. I didn't want to get too close to dealing with Oliver North on something like that because—as you said—by that point in time, I knew that Oliver North or had suspicions that Oliver North was playing a role—I thought at the point in time indirectly in facilitating support to the Nicaraguan Resistance, and I knew where I was legally, and I knew that I wanted to stay away from it and did not want to get involved with it and would have backed away from it unless confronted with the situation otherwise.

Mr. CAROME. Would you please turn to exhibit 6?

[*C/CATF*]. I have turned to exhibit 6.

Mr. CAROME. Exhibit 6 is another entry out of Oliver North's notebooks. It is dated March 7, 1985. It is headed "Meeting with [Deleted]." This exhibit appears to indicate that 2 days after receiving the intelligence which is exhibit 6, you in fact, did meet with Oliver North and did discuss in precise detail the nature of that intelligence report. Does that refresh your recollection and indicate to you that you did have discussions with North about that intelligence? It is virtually verbatim out of the cable.

[*C/CATF*]. It would appear that I did that. I don't recall having done it, but these notes would appear that I talked with him probably in responding to questions that he asked me.

Mr. **Carome**. Let's turn to another subject.

[*C/CATF*]. But, I must tell you that I did not clearly sort of have the mental vision of that meeting having taken place and me doing that particular thing, and I must also tell you that it is not very likely that in a meeting with Oliver North that I would remember that kind of detail given the amount of traffic that was flowing over my desk. I mean, this is a lot of recall with me ticking these things down. I have got a pretty good memory, but unless I annotate something, I wouldn't have one, two, three, four, five ticks like that.

Mr. **Carome**. I take it you were aware by early 1985 Oliver North was assisting the Contras by routing money to various Contra leaders, is that right?

[*C/CATF*]. Yes.

Mr. **Carome**. In essence, correct me if I am wrong, Oliver North was in some ways picking up where the Central Intelligence Agency had left off at the time Boland came into effect by way of providing this money to various leaders, is that right?

[*C/CATF*]. I wouldn't—your statement is correct, in fact, but at the point in time, my level of knowledgeability, I wouldn't have put it that way. That was not my understanding. Ollie always maintained that he was the interface, the go-between between donors who were providing funds to the Resistance and left the impression that he was causing things to happen, but was not actually doing them himself.

What I thought he was doing, very frankly, until very late in the game, was facilitating donors, rich Americans, by and large, which was what most of the people around us thought, to donate funds to various individuals. But I did not know that he was actually paying the cash out himself or was controlling the accounts.

Mr. **Carome**. For instance, you learned at RIG meetings in the first quarter of 1985, that [deleted] was receiving payments arranged by Oliver North, is that right?

[*C/CATF*]. Not at RIG meetings. I think Oliver North told me that in phone conversations or some other discussions because we talked very clearly in RIG meetings and in phone conversations about the impact in the political context of the cutoff in funding [deleted].

I think the members of the House Intelligence Committee remember those discussions very, very clearly. We talked about the political impact of that, what it would do to the political side of the program, what it would do to where we were going. Ollie was fully aware of it, and I had discussions with Ollie talking about the sort of, "Gees, this is just a terrible thing, isn't there some way this can be paid?" And Ollie said we can do that thing or it can be done, passive voice.

Mr. **Carome**. Around the same time you also learned that Calero was receiving substantial sums being arranged by Oliver North, is that correct?

[*C/CATF*]. No. I learned it earlier. I began to understand it earlier, and I think it is important to expand on that. As I said in my deposition, I began to see things happening with the Resistance forces that were not explainable. They didn't withdraw from Nicaragua like they were supposed to. They were feeding their troops.

They were doing things in December, particularly January, and that surprised me.

And I began to look around for where things were going. It became clear to me that they had access to money. And as it became clear to me that they had access to money, I suppose someplace in January, February of 1985, I began to develop an understanding that Oliver North was in and around and had some role in this and that was when I began to develop with Clair George, who will follow me, the very clear policies that would govern our operations and my particular behavior, and I thought the behavior of our various [deleted] employees for the next 2½ years.

So the answer to your question is I knew it slightly earlier, but I didn't know that he was providing. I thought he was causing to be provided.

Mr. CAROME. And you also learned around that same time, I take it, that [deleted] was receiving payments arranged by Oliver North, is that correct?

[*C/CATF*]. That is a difficult question. Because——

Mr. CAROME. Let me refer you to exhibit 9. Exhibit 9 is another item out of Oliver North's notebooks. The first part of exhibit 9 is dated July 11. That is July 11, 1985. It says 10:00 o'clock, call from [*C/CATF*]. Get 25 K to [deleted].

Then it goes on.

[*C/CATF*]. Yes.

Mr. CAROME. Were you talking in July of 1985 with Oliver North about getting money to [deleted]?

[*C/CATF*]. We had been talking about money to [deleted] throughout the spring of 1985. [Deleted].

We discussed it extensively. We decided it was probably legal to provide funds [deleted], but politically controversial, and our guiding light in those days was we will do nothing that is politically controversial because we want to build credibility with the Congress and be as straightforward as we can be and try to reinstate and to rid ourselves of some of these restrictions.

So we didn't fund [deleted], and I would think, my recollection is, by the spring of 1986 or 1985, there was probably a lot of discussion about the impact of that.

It is entirely possible that I would have said, "Gee, [deleted] is telling us [deleted] needs $25,000 to do something," but I don't recall, A, making a specific request to Oliver North to give [deleted] $25,000. I remember later that he said he was paying [deleted]. This was after laws changed [deleted], but I was surprised in my own recollection when [deleted] told [deleted] had been receiving funds from Oliver North, because I really didn't have that in my psyche or in my mind.

Mr. CAROME. You don't deny that exhibit 9 here reflects your making a phone call to Oliver North and saying "Get $25,000?"

[*C/CATF*]. I don't deny that is what it says. What I am telling you is that I don't recall having made that phone call in just those terms. I'm telling you it is entirely possible that I could have had that conversation with him, but I don't remember, and I would have not put it in those terms. It probably would have been in another sort of context.

I am trying to read the rest of this note and see if it reminds me of anything else.

That is my answer to the question.

Mr. CAROME. I would like to turn to another subject. Ambassador Tambs testified to this committee that before he took up his post as Ambassador to Costa Rica in July, 1985, Oliver North told him "We want to open a Southern Front," and he took the "we" in that instruction to open up the Southern Front, as coming from, emanating from, the RIG on which you sat.

Tambs and [deleted], both have testified to this committee that Tambs told [Castillo] of this instruction to open up the Southern Front and that Tambs encouraged [Castillo] to go out and speak to the commandants in the South.

My question to you, [*C/CATF*], you talked to Ambassador Tambs before he left Washington to take up his post, didn't you?

[*C/CATF*]. Yes, I did.

Mr. CAROME. Is it your testimony that you neither gave him an instruction to open up a Southern Front or that you had no knowledge that anyone else was giving him an instruction to open up a Southern Front?

[*C/CATF*]. My testimony is that I did not give him instructions to open up a Southern Front. What I think I said was—mine is not to instruct an ambassador. My deposition is very clear about that meeting.

It was a bizarre meeting at a transit apartment on 14th Street in Northwest Washington. Ambassador Tambs was in his underpants. His wife was in her petticoat. The baby was crying. They were 20 minutes from going to catch their airplane. I said to myself, frankly, my God, I've never seen an ambassador quite like this. We talked about Costa Rica. We talked about the Contras. But an instruction, no. I didn't give him an instruction. It was a first encounter. I don't know why he thought I was an authority figure that would have done that. No. I did not give him an instruction to go down and open the Southern Front.

Mr. CAROME. To your knowledge, did anyone else give him such an instruction, including Oliver North or anyone else on the RIG, Elliott Abrams?

[*C/CATF*]. I don't know the substance of discussions Elliott Abrams or Oliver North might have had with Ambassador Tambs prior to his departure for Costa Rica.

Mr. CAROME. Ambassador Tambs also testified to this committee——

[*C/CATF*]. Excuse me.

Mr. CAROME. Ambassador Tambs also testified to this committee that in the summer of 1985, he was asked by Oliver North through your [deleted], to approach [deleted] regarding the construction of an airfield to—for use in support of the Contra resistance. Do you recall that occurring at that time?

[*C/CATF*]. No. I don't recall that occurring. I don't recall having discussed that with [deleted] in the summer of 1985.

Mr. CAROME. Would you please turn to exhibit 10?

[*C/CATF*]. I'm there.

Mr. CAROME. Exhibit 10 is a cable from [deleted]. I'll use the pseudonym [Castillo] to facilitate declassification.

[Deleted] was asked and favorably responded to the idea of an airstrip [deleted].

Did you receive this cable in or around August, 1985?

[*C/CATF*]. Yes, I did, obviously.

Mr. **Carome**. Do you have any recollection of that?

[*C/CATF*]. I've read the cable many times subsequently. At the time this cable was brought to my attention, I didn't have a recollection of it. I was somewhat surprised. There is an extenuating circumstance for that, I think I said in my deposition. This was my last day before going on annual leave that particular summer and I don't recall having read the thing, but obviously I did read it and obviously I did draft a response to it, which we have discussed a couple of times.

Mr. **Carome**. Your response is exhibit 11. Why don't we turn to that.

[*C/CATF*]. Let me make a point here that is a very important point, however. Note there is no director reference on here. That means it's coming from [deleted], self-generated; [deleted] and, therefore, it means that whatever happened there, happened as being generated from [deleted], not driven by something that happened from Washington.

Mr. **Carome**. Did you view it as inappropriate that your [deleted] would be engaged [deleted] regarding the setting up of an airstrip?

[*C/CATF*]. I didn't feel it would be inappropriate for him to have knowledge [deleted]. I felt it would be, as is clear in my response to it, clearly inappropriate for CIA to be involved in anything to do with it given the strictures of the law at that particular point. [Deleted].

Mr. **Carome**. But you certainly did not rebuke or criticize [Castillo] for having played a role in these discussions to encourage an airstrip, did you?

[*C/CATF*]. Let me go back and review this cable. You used a word that bothers me.

I don't see my [deleted] was in the meeting [deleted]. I see it saying [deleted] concurring—[deleted].

Mr. **Carome**. [Deleted].

[*C/CATF*]. [Deleted].

Mr. **Carome**. [Deleted].

[*C/CATF*]. [Deleted]. What we did then was go back out and we said we are gratified, but we made it very clear, this said we must emphasize [deleted] neither CIA or DOD can become involved neither directly nor indirectly in assisting [deleted] in implementing this new policy. This is for [deleted] to implement this new policy. We are authorized to share information, by that time the law had changed through its first iteration with the Resistance. It will be possible to brief them on this new [deleted] policy. [Deleted]. We are pleased, so on and so forth.

That was a clear and very concise statement of saying you can't be involved with building an airstrip.

Mr. **Carome**. Owen and [Castillo] have both testified that later that month, they went on a flight to look at possible sites for the airstrip. Did you know that that was going on?

[*C/CATF*]. Let's go through a little time warp here. I have been over and over and over the whole airstrip story in my mind, in testimony before the grand jury, in testimony both sworn and unsworn with this committee, with the Tower Commission, and the first clear recollection I have of that airstrip is [deleted], in December of 1985 when I talked with [Castillo] about it on the veranda of [deleted], talked with [Castillo] about it.

Mr. Carome. I want to get to that point.

[*C/CATF*]. I just do not know. So the answer to your question is, no.

Mr. Carome. If you could turn to exhibit 15, please? Exhibit 15 is notes by Ambassador Duemling of an NHAO meeting on the 1st of October, 1985. You are listed as one of the people attending that meeting.

About a third of the way down, on page 2, there is a reference to a discussion of the airstrip being prepared under the heading [deleted].

Are you telling me you have no recollection of that subject of the airstrip coming up at that meeting?

[*C/CATF*]. What I am telling you is that I have seen this before. I have read Ambassador—Assistant Secretary Elliott's testimony. I have read [Castillo's] testimony. It seems obvious to me that I must have been in and around discussions of that airstrip prior to December of 1985.

But I can tell you I remember something, I can conjure up a story, and I can see shadows in my mind, but I can't give you a straight recollection. No, I can tell you that this discussion took place and after reading this 6 times, I can probably begin to see it in my mind. But I don't recall it having been discussed in specific terms. I don't have a clear recollection of it until that December meeting where I discussed it on—with [Castillo]. I do not deny or am not saying I didn't hear about it earlier than that. But I don't recall it. I am sorry for that, because that's the big gaping hole in my testimony.

Mr. Carome. Let's turn to the December 9th meeting briefly. What did [Castillo] tell you about the meeting?

[*C/CATF*]. He said—what he said was that as I recall it, there is an airstrip being built and we talked about that and I said something to [Castillo] about, [Castillo], be careful; do you know what you are doing?

And he said, I know what I'm doing.

I said, be very careful. Keep your operations within the bounds of legality and watch yourself.

He said, [*C/CATF*] I know what I'm doing; don't worry about me.

I said, that is fine.

Mr. Carome. And as you recollect that meeting, were you surprised that [Castillo] was involved in the airstrip?

[*C/CATF*]. Worried and concerned and told him to be careful and to watch himself. I want to say a word—you keep watching the clock.

Mr. Carome. I am given only a small amount of time to ask you questions.

[*C/CATF*]. I think if the committee would indulge me and, counsel, I think it is important we get these things in context. [Castillo] was in the most difficult situation possible. He was in the Southern Front, [deleted]. He was next to a totally degenerate situation that was just like the overboiled spaghetti. His situation was more difficult than mine, more difficult than [deleted] or [deleted], and he had to deal with decisions and situations that I hope no American citizen, certainly no American U.S. civil servant, ever gets put in the middle of having to deal with again in terms of the nutcracker I described earlier between the legislative, the executive and operational decisions that are real and emotional and people things. I wouldn't sit in criticism of any decision [Castillo] made. He made his decisions the best he could at that point in time. I might have done differently, I don't know. I wasn't there. I told him to watch himself, to keep it legal.

I was concerned about it, but in the final analysis, I trusted his judgment. You will hear that theme go on further as we talk more about [Castillo].

Mr. CAROME. Did [Castillo] tell you who was building that airstrip at that time?

[*C/CATF*]. He did not.

Mr. CAROME. Did you ask him?

[*C/CATF*]. No, but probably because I assumed it would be private supporters to the Resistance. But I don't recall having asked him who was building the airstrip.

Mr. CAROME. Was there a senior interagency group meeting at some later point at which Oliver North showed you and others photographs of the [deleted] airstrip?

[*C/CATF*]. Yes, there was. It took place on the 7th floor in either the Secretary or Deputy Secretary's conference room. At the conclusion—I think at the conclusion of the meeting, Oliver North, and there were a gaggle of people there, showed pictures of the airstrip in [deleted] and its construction. It was clearly by that time under construction and I remember being somewhat shocked by the fact that he was passing around pictures to everybody saying look what was happening.

Mr. CAROME. Who was there?

[*C/CATF*]. I can't remember the entire group. Ambassador Duemling was there, I think. General Moellering was there. Colonel Crocker, I think Jim Michael must have been there, Elliott Abrams must have been there. I was there. There must have been another senior agency representative there although I am not entirely sure of that. Mr. Sanchez was there, and notetakers from various sections of the Department.

There must have been a senior, either Deputy or—Under Secretary or Deputy—probably Under Secretary Armacost chaired the meeting, given the location of it. But I don't recall him having been there. I don't have a clear picture. But there were 10 or 12 people there.

Mr. CAROME. You testified in your deposition that you thought it was dumb for Oliver North to pass out these photographs and talk about the airstrip at that meeting. Why did you think that?

[*C/CATF*]. Because it clearly indicated an involvement that was something more than a facilitator at that point in time. As I said in my other testimony, as 1986 turned into the spring of 1986, I began to develop a pretty clear understanding of what Ollie was doing and that was something where he was just flashing out neon signs. That was where, to my recollection, and this is something that Counsel Liman was curious about, it is my recollection where I told Ollie, you ought to keep your mouth shut, you ought not to talk so much.

I read in Ollie's deposition that I said that sometime in 1984, and I have no recollection of that. But I have a clear recollection right after that meeting telling Ollie it was a dumb thing and he ought not to be showing those pictures around like that.

Mr. CAROME. Your concern was that Ollie North was talking about it, not that he was doing it; is that right?

[*C/CATF*]. It was both. He was putting a lot of people in a very difficult position. I once again, rightly or wrongly—and this is where I will have to be judged—took the position, I don't want to know that, I don't want to get involved with it. I was caught in a difficult position. I was going to keep my agency and myself within the bounds of propriety and legality and I would do what I could but there were things that were beyond my powers, sort of the alcoholics creed comes to mind—God give me the strength to change what I can and to accept what I can't, and that is kind of where I was.

Mr. CAROME. Did you report these discussions to your superiors at the Central Intelligence Agency?

[*C/CATF*]. I can't remember specifically reporting that discussion, but I from time to time discussed my concerns.

Chairman HAMILTON. Mr. Carome, would this be a convenient time to recess?

Mr. CAROME. Yes, it would.

Chairman HAMILTON. [*C/CATF*], we will recess now until tomorrow morning at 9 o'clock. May I remind everyone that we are in executive session and information learned here should not be discussed outside this room in any way.

We will reconvene at 9 o'clock tomorrow morning in this room.

[Whereupon, at 5:30 p.m., the Select Committees adjourned, to reconvene at 9:00 a.m., Wednesday, August 5, 1987.]

# JOINT HEARINGS ON THE IRAN-CONTRA INVESTIGATION

## Continued Testimony of C-CATF and Testimony of Clair George

---

### WEDNESDAY, AUGUST 5, 1987

House Select Committee To Investigate
Covert Arms Transactions With Iran
and
Senate Select Committee on Secret Military
Assistance to Iran and the Nicaraguan Opposition,
*Washington, DC.*

The Select Committees met, pursuant to call, at 9:00 a.m. in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the House Select Committee) and Hon. Daniel K. Inouye (chairman of the Senate Select Committee) presiding.

Chairman Hamilton. The Select Committees will come to order. [*C/CATF*] returns as a witness this morning, and we will continue with questioning by Mr. Carome.

Mr. Carome.

Mr. Carome. Thank you, Mr. Chairman.

Good morning, [*C/CATF*].

### CONTINUED TESTIMONY OF C/CATF, FROM AUGUST 4

[*C/CATF*]. Good morning.

Mr. Carome. I take it that in the fall of 1985, the [deleted] was refusing to allow NHAO flights to go directly into [deleted] and that there were discussions at the RIG meetings that you attended about an alternative airbase to use and that in connection with those discussions, Oliver North indicated or identified [deleted] that could be used to continue the flights; is that correct?

[*C/CATF*]. That is correct. It was more early winter than fall, November, December.

Mr. Carome. When did you become aware Felix Rodriguez, otherwise known as Max Gomez, was a key operator working on [deleted] project?

[*C/CATF*]. I know that Felix Rodriguez was in [deleted] in the fall, earlier in the fall of 1985, [deleted]. It was attendant to the discussions about arranging a transshipment facility that took place in November–December of 1985, that his name came up in the context of working in [deleted] as part of the transshipment operation.

Mr. CAROME. Would you please take a look at exhibit 15, the second page of that exhibit. This is an exhibit we looked at yesterday. It is minutes of a NHAO meeting dated October 1.

Do you have that in front of you?

[*C/CATF*]. Yes.

Mr. CAROME. On page 2, there is a reference, it said Mr. Green said to call Max Gomez. Do you recall at that October 1 meeting there was a discussion of Max Gomez operating out of [deleted]?

[*C/CATF*]. On October 1.

Mr. CAROME. That is correct. That is the date of these notes.

[*C/CATF*]. I don't recall that, no, I don't. On October 1, I don't believe that the problem, to the best of my recollection, I don't believe the problem with [deleted] had come into full blow yet and I don't recall, as I testified in my depositon, a Mr. Green.

Mr. CAROME. When did you become aware that the team at [deleted] was dropping lethal, as well as non-lethal supplies to the Nicaraguan Contras?

[*C/CATF*]. Let me answer that in two parts. I would have understood that the team at [deleted] was transshipping lethal material from [deleted] or at least partial loads in small amounts in January or maybe late February, because we very much—we have talked a lot about the 10-percent rule and whether or not partial loads could have been mixed in that transshipment and I believe members of the committee will recall those discussions.

It would have been about that same time or maybe a little bit thereafter that I would have begun to see these flights were also dropping into Nicaragua.

Now, I want to add that there was some [deleted] reporting that I have seen subsequently [deleted] which indicated that they were going to contract—arrange for a contract for handling their resupply problem, and I don't recall at the time having linked that with [deleted], with the drops inside. I subsequently do, but I would say I really began to understand that the people who were handling the transshipment out of [deleted] were also going to be doing other missions in January at some point in time.

Mr. CAROME. There is a reference, and I believe you have already referred to it, in this exhibit 15, to a Mr. Green. Felix Rodriguez has testified that Mr. Green was a code name being used in the arrangements later in 1985, for a lethal drop to the Contras. Do you recall the discussion at that October 1 meeting turning to the subject of a lethal drop being organized by Mr. Gomez?

[*C/CATF*]. I don't recall any discussions within the context of NHAO, and that would be within the context of the RIG where we discussed lethal drops, and I don't recall a Mr. Green and I think it is very important to establish at this juncture because we are going to be moving into this that there are parts of this story that I will know and there are parts of this story that I don't know, and I kind of phase in and out of it as I will testify as we go along.

Mr. CAROME. In late December 1985, you visited [deleted] with Lt. Col. North; is that correct?

[*C/CATF*]. That is correct. And along with other members of the administration; that is correct.

Mr. CAROME. What was your role on that trip?

[*C/CATF*]. Whenever a team traveled to Central America, starting from January of 1985, and I believe actually before that, although I can't testify to that specifically, the administration tried to travel as a group to show some form of cohesiveness and unity, and generally there was a representative from the State Department, NSC, the CIA, almost all the time, DOD, and in this case there was a representative from NHAO because NHAO was the major participant. The purpose for that particular trip, the next trip had on it four people, it had Bill Walker representing State Department, a Deputy Assistant Secretary for Central America, Oliver North from the NSC, Chris Arcos, the Deputy Chief of the NHAO office, and myself.

On all of those trips in those early days, my purpose was, A, to be there and to show continuity and, B, to provide intelligence, backup intelligence briefings and discussions on how things stood with the Resistance and the dynamics of the situation.

The purpose of that trip was largely, as I recall it, to go to [deleted] and try to deal with what was then a major political problem between the Government of the United States and [deleted] that had tremendous spin-off on policy matters and on the whole NHAO operation.

Mr. Carome. Felix Rodriguez has testified that not long before your trip to [deleted] in December, a SAT 707 had brought in a large shipment of lethal supplies that was being stored at the warehouse there at the time. Did you know when you were down there in [deleted] in late December that that shipment had been made?

[*C/CATF*]. I would have to review the intelligence reporting to see whether or not there was intelligence on it. I do not recall having a knowledge of it, and I was not told by anybody that it had come in there. So at the time we went to [deleted] it was my recollection I was ignorant of that flight, unless there is a piece of intelligence out there that some time in 1985 I read reporting that flight.

I do recall some reporting about 707s flying lethal equipment in, but I don't recall it specifically to the [deleted], to that [deleted], to a [deleted] flight.

Mr. Carome. There was large quantities of lethal materials at [deleted], at the time you were there apparently. Did you see those materials?

[*C/CATF*]. No, I wanted—excuse me.

[Witness conferring with counsel.]

[*C/CATF*]. Let me describe to you the [deleted] meeting which was a brief stopover and the [deleted] meeting which was the major purpose for going. The trip was very fast. As I recall, we did it in a day.

We went to [deleted], we stayed there, had meetings with [deleted] and then we went to [deleted]. Bill Walker and I stayed in an anteroom along with [deleted], as I have testified in my deposition, and I cannot remember whether or not the Ambassador stayed there or not.

I am just very vague on that point. And Oliver North went off for a private meeting with [deleted]. I did not go to that meeting. I did not leave the general environs of the waiting room at the airport. At that meeting was when I delivered very clear instructions to our [deleted] that we were not to play a role in the management of the [deleted] transshipment operations—I want to say specifically the NHAO transshipment operation because that is what we were setting up there as the NHAO transshipment operation out of [deleted]—and that they were only to report in a very fixed term because our role there, as members of the committee, once again, will recall, was to report on the activities and to verify flights landing, flights taking off and so on and so forth.

And I gave him very clear instructions that that is what we were to do and our role was very, very, very proscribed and that was very difficult for us to understand because we aren't used to doing those kinds of things, we are a proactive organization, and I think you will see in January and February that there were some problems in [deleted] where [deleted] was trying to figure out what its role was and what was going on down there. But I didn't participate in the meeting, I didn't see any arms there.

Arms being present were not discussed to the best of my recollection on the airplane down, on the airplane back. The transshipment operation and putting in the warehouses for NHAO material and so on and so forth were discussed, the airplane, among ourselves and I presume with the meeting with Oliver North and [deleted].

Mr. Carome. In January 1986, I take it Oliver North recommended that Mr. Gadd handle the NHAO flights and you looked into Mr. Gadd yourself, and then recommended to Admiral Duemling that Gadd be used on the flights; is that correct?

[*C/CATF*]. Not exactly. And I can't put specificity into the entire sort of chronology. I would say that the discussions relating to—well, let me set it in context with the problem that had taken place. The carrier that had been taking supplies down, Conner Air, was disenfranchised and [deleted] said no more Conner Air into [deleted] and they then said no more NHAO flights into [deleted] because this is a quack operation, you can't handle it clandestinely. There had been a couple of problems, NBC or public media television crews on the first two flights, a breakdown on the third flight, so [deleted] said absolutely stop it and Conner Air—they said Conner Air couldn't fly in.

So NHAO was faced with the problem of finding a new contractor.

To the best of my recollections, during the Tuesday meetings, and there were lots of them, and they were intense because a problem that was critical to continuing the Resistance was just literally moribund, it was dammed up, things were coming in, nothing was going out. Concern was high, almost on the edge of panic.

[Deleted].

That is where the [deleted] transshipment operation came into being, at meetings in the RIG sometime in December.

During those meetings, it is my recollection that the discussions of Richard, of Gadd, came up as a possible alternative supplier.

They were discussed rather extensively and attendant to those discussions I was asked to go out and talk to Gadd, see what he was all about and to find out whether or not he was a viable trans—or a viable shipper.

Mr. Carome. North was pushing Gadd, wasn't he?

[*C/CATF*]. Yes, he was.

Mr. Carome. Did your background check reveal that Gadd would be working with Secord, Rafael Quintero, and Southern Air Transport?

[*C/CATF*]. No, because what we found out from Gadd, and I wanted the meetings—there's another factor here now.

My recollection is my meetings with Gadd, which were two to the best of my knowledge, the best of my recollection, took place in January-February.

Now, another dynamic had taken place in January and February. We were also then planning for the vote in March on the $100 million program of aid, and I had been tasked to come up with detailed planning as backup for briefings of Members of Congress and discussions and saying how we were going to spend that money. We were actively looking at how we would handle air operations at that point in time, [deleted]. And we were talking to people. So my purpose in talking to Gadd was really to see what he was in terms of dealing with Ambassador Duemling and to find out whether or not he was a viable contractor for the longer term.

What we found out was that he was not. We found out that he did not have an operator's certificate, he was essentially a jobber, he was subleasing aircraft out from other areas; that when you probed for details of his operations, he backed off and got very mystic, talked about classified DOD projects and couldn't tell a lot of background and so on and so forth.

And I think that if you go to the testimony of General Secord, you will see that Mr. Gadd and General Secord subsequently reported they weren't very happy with those conversations because we kept probing for details, and my man, who handled the technical sides of those meetings, was a real stickler and he didn't like what he saw, and he came back and said, A, we don't want to deal with this guy, wrong airplanes, fly-by-night operation, better people; and B, you should tell Ambassador Duemling that this is not a guy that he needs, should deal with after this [deleted] transshipment operation is over. So that's the essence.

But to answer your specific question, I didn't uncover or see a connection with Secord at that point in time.

Mr. Carome. I believe in your previous deposition, you said that your check into Gadd, set off, what in your mind you called "shyster alarms;" is that right?

[*C/CATF*]. That's right.

Mr. Carome. Did you go and warn Admiral Duemling to not use Gadd?

[*C/CATF*]. What we talked about was Gadd was into the [deleted] transshipment operation, but as soon as we were out of it, let's get away from Gadd. As soon as that was over and as soon as we could, I said as soon as you can disengage, you ought to disengage from Gadd.

There was a specific conversation sometime in March, and I don't put my finger on it when [deleted] said, OK, you guys have your act together; you can now fly directly into [deleted]. Duemling said, should we get away from Gadd, [deleted]? And I said, by all means get away from him, get out to the other contractors, and if you look at the NHAO records, I think you'll see in March that diversification taking place and that was directly because I didn't like what I saw with Gadd.

[Deleted] didn't like what I saw with Gadd and the vibes were all wrong.

Mr. CAROME. By February, 1986, I take it you knew that Felix Rodriguez was acting under the direction, or at least influence of Oliver North; is that right?

[*C/CATF*]. Influence is the right word.

Mr. CAROME. And in fact, in February, 1986, you were at [deleted] on one occasion and actually met and had a confrontation with Mr. Rodriguez; is that right?

[*C/CATF*]. I had a confrontation with him. I sought him out. I sought him out.

Mr. CAROME. What was happening was that a plane was about to go to [deleted], you didn't want that to happen, you said "don't do that," he said, "Well, Oliver North has told me to do it." You got North on the phone, and finally had to get North to give him an instruction not to take a plane to [deleted]; is that right?

[*C/CATF*]. That's essentially it. There is a lot more detail. I know time is a factor. I won't go into the detail. In broad strokes, yes.

Mr. CAROME. So by this time, early 1986, you were well aware that the same people who were handling the humanitarian flights for NHAO to include Gadd and Rodriguez, were also shipping lethal equipment to the Contras?

[*C/CATF*]. February–March, yes. Began to develop that picture, yes.

Mr. CAROME. The committees have been told this [deleted] operation, starting in the spring of 1986 and continuing through the Hasenfus flight in September–October, 1986, were flying lethal supplies to the Southern Front forces. When did you first learn of that?

[*C/CATF*]. I knew that they were. I probably learned from reporting from [deleted] that they were attempting to do it sometime in March, in March, I would think.

Mr. CAROME. Would you please turn to exhibit 20. Exhibit 20 are a few pages out of the deposition of Mr. Dutton. I would like you to turn to the last page of that exhibit, page 82.

[*C/CATF*]. I beg your pardon?

Mr. CAROME. The last page of the exhibit, which is page 82. I would like to read a few questions and answers.

Colonel Dutton—this is a question from counsel. "Colonel Dutton, what was the role of the CIA in your September operation?"

"Answer:"——

[*C/CATF*]. September of 1985 or 1986?

Mr. CAROME. This was September, 1986, he was referring to.

"Answer: I think in September, I can't say that it was that much different than at anytime. [Deleted]" —that's [Castillo]—"was critical to us throughout the operation and [Castillo] remained involved with us throughout the operation."

And I skip down to the middle of the page.

The question: "Let me ask you this question: Could your successful missions and air drops to the Southern Front in September, could those have been accomplished without [Castillo's] assistance?

"Answer: No way."

My question to you: At what point did it become evident to you that your [deleted] was playing the role Mr. Dutton describes here?

[*C/CATF*]. Well, first off, I don't want to speak in definitive terms because I don't know the full range in my mind of what [Castillo's] exact involvement was. That's a very complicated question you have asked, and I think I have to go back to May of 1986 to answer that question, because of a sequence of events that took place.

In May of 19—we knew in May and even before, in late April, I believe, and I would have to check the traffic, there were attempts by the private benefactors from [deleted] to fly flights into the Southern Front. We were asked, and I think that you have and we have discussed many times, for information on vectors and flights to move things down there and that information was very clearly to provide to the Southern Front in the context of the law, which had now changed dramatically. The Boland Amendment had gone the wrong way; the indirect language was—we were in a leaning posture now we had in hard-core Boland, modified Boland, and we were providing intelligence that could be used for resupply flights and for the various Resistance forces.

We were deriving similar intelligence for the FDN in the north as well. I knew that [deleted] was getting that information through the—I thought through the Resistance forces into the using element, and I knew the using element to be those people flying the flights out of [deleted].

I did not know that he was directly involved in those flights at that point in time or dealing with the private benefactors at that point in time. Had I known that I would not have condoned that.

We had a meeting that was critical to this whole endeavor in March—late May of 1986, in [deleted].

Mr. Carome. I would like to get to that meeting.

[*C/CATF*]. I think that before we get to your question in September, we have to cover the meeting in May.

Mr. Carome. I want to cover that, go through it point by point. If we haven't covered what you want to say, let me know.

[*C/CATF*]. Go ahead with the question, because I don't want to get to September before we cover May.

Mr. Carome. I am going back to March. Would you please look at exhibit 21, a March 15, 1986, cable from the Central American Task Force to [deleted], and [deleted]. It refers to an ammunition resupply for Southern Front leaders.

In paragraph 2, it says "Suggest this drop be expedited by the FDN to speed up the development of NAC forces and addresses assist as appropriate."

You were there directing your [deleted] to assist in a lethal drop to the Southern Front?

[*C/CATF*]. I was directing them to be—to do what they could as appropriate to urge that that happen.

Mr. Carome. Later in March, I take it, you went with Colonel North and Elliott Abrams and others to [deleted] and [deleted].

[*C/CATF*]. That is correct. It is very, very important in the context of my previous answer to go back and study the changes that took place with regard to authorizations in the Intelligence Authorization Act of fiscal year 1986 and our actions in this cable were totally consistent with the interpretation of that act as of that time. And I want to make that very, very clear, that this cable which we signed here, and which I signed, was according to our interpretation consistent with the authorizations of the Agency in the laws governing our activities at that time.

Mr. CAROME. Did you understand that your [deleted] could specifically assist in lethal flights?

[*C/CATF*]. I understood that they could provide information, advice and guidance that related to the resupply of materiel—not material—materiel—as long as it was not tantamount to specific or integral, I think is the word, to specific military operations in Nicaragua. It was generic, we could say you ought to do this or that, you ought to do the other thing, you could do this. We had a lot of discussion about this, and Chairman Hamilton will recall it.

There was tremedous controversy as to whether or not the language of the Senate was—the language of the bill was meant to be broader or narrower. The Senate Committee, Intelligence Committee, interpreted it as broader; the House as narrower. There was an exchange of letters with the then-Director and on our legal opinion, we went with the Senate Intelligence Committee interpretation, which was broader. That was the way we saw it, and there was a lot of discussion. I was involved in that discussion to make sure that we were within the bounds of propriety and the law.

I will also tell you, and this is important for the committees to understand, that by May or—by January or February when those laws changed, I was in the Agency, Clair George and I were letting the reins out. We were very, very cautious politically in the first 9 months under hard-core Boland. We were still exceedingly cautious during that intervening period when we were operating under the slight modification of Boland in the fiscal year 1985 supplemental that authorized the $27 million program.

When Boland went away and the fiscal year 1986 Intelligence Authorization Act came into play and we were allowed to provide intelligence, advice, and communications equipment and advice on logistics operations as long as it was not integral to a very painful sort of construction, we let the reins out a little more.

I want to make a point here that is critical. Go back to the committee's first testimony of General Secord. You will recall him saying that there were times when we thought the Agency, I think particularly in the February–March timeframe, the Agency was going to come into this thing, and then they drew back, and he went to complain to the Director. Well, he was exactly right. I started to lean into this thing in February and March, and along about March, after my meetings with Gadd, I said "I am too far out, I don't like where I am going," and I started to pull back. I started to pull back, and that is when General Secord complained. I did it because I didn't like the feel of where I was.

I think you will begin to see in this sometime in March and April a pulling back, trying to feather an engine and get out from where we were. By my own admission, if I got someplace that is controversial, it was in February and March where I let the reins out, I got a little too rambunctious, like a colt that got out of the barn to play, and I pulled myself back in. I didn't do it all myself.

My task force lawyer was whispering like Jiminy Cricket in my ear. I probably got us a little too far forward-leaning at a point in time and then pulled us back.

Mr. COHEN. Could I clarify one point. You refer to the fact that General Secord complained as to your activities or lack of activities. You didn't know about it at the time?

[*C/CATF*]. No.

Mr. COHEN. So you were never told that you were pulling back too much by anybody?

[*C/CATF*]. No. We went over that in my depositon. I was kind of interested to see that, actually.

Mr. COHEN. I will pursue that a little more when I question.

Mr. CAROME. On your March trip, you learned that [Castillo] was passing information directly to the people who were running the [deleted] supply operation, is that correct? You testified to that fact in your depositon.

[*C/CATF*]. Can I refer to my depositon?

Mr. CAROME. Page 114, of the first depositon—it should be in one of those books right in front of you there. I will read the question and answer at the top of page 114. "Question: When did you become aware that there was a problem with [Castillo] regarding his relationship with the private benefactors?"

"Answer: March, 1986, and with [*C/LA*] when he discussed it in [deleted] is when we knew there was a problem."

[*C/CATF*]. The discussions with [C/LA]—that is 28 May or the late May meetings in [deleted]. If I said March, I misspoke myself. Yes, I misspoke myself there. That should be May. I am sorry. [C/LA] was still in [deleted] at that point in time, and the meeting that took place took place in late May of 1986. I am sorry for that.

My counsel reminds me that I just saw this deposition in its pristine form on Friday, and I have noticed a couple of things. For instance, Ambassador Duemling is not an admiral, et certera. I will have a chance to make a correction. I didn't see that.

Mr. CAROME. We have received substantial testimony and documentary evidence that in March of 1986, [Castillo] was communicating using a KL-43 encryption device directly with Mr. North and directly with the [deleted] operators. You were not aware of that at the time?

[*C/CATF*]. I was not aware of that. I became aware that [Castillo] had a KL-43 in October of 1986.

Mr. CAROME. I take it that you were aware of an early April flight of lethal materials to the Southern Front, is that correct?

[*C/CATF*]. We went over that in some detail in my depositon. It would appear from the traffic that came in and out that I would have been aware that flight took place because there were cables going back and forth. At the time it was brought to my attention in the deposition I didn't remember it, but having read those at the time, I must have been aware of it when it was happening.

Mr. CAROME. Those cables are exhibit 25, consisting of [Castillo] requesting intelligence for this lethal drop. Do you know whether or not you provided the intelligence requested there?

[*C/CATF*]. If he requested it, in probability we did.

Mr. CAROME. Please turn to exhibit 26. Exhibit 26 is a KL-43 message from Oliver North apparently to Mr. Secord. It refers to the lethal flight we just discussed. It says about five or six lines down, in describing the plan for the flight, "have therefore developed an alternative plan which [deleted] has been briefed on and in which he concurs." [Deleted] is your code name, is that correct?

[*C/CATF*]. Yes, it is.

Mr. CAROME. Did you receive a briefing on this planned lethal flight, and did you concur in it with Oliver North?

[*C/CATF*]. I have no recollection of having received that briefing or of having concurred in it. I certainly wouldn't have approved it, because I thought it was the folly of first order for American pilots to fly into Nicaragua an L–100—I would have known that L–100 had to be a SAT L–100 or an airplane leased from them, and I would have said that is a dumb idea.

Mr. CAROME. Why would Oliver North say you concurred in a plan——

[*C/CATF*]. I don't know why he said that. The most I can tell you, and this is really hard-core speculation, is we might have had a conversation about the problem in general, and he might have said something about, "Hey, what if this or this happened," and I said, "Gee, Ollie, it sounds OK to me." That is the most it would have been, and I don't recall having done that.

Mr. CAROME. Exhibit 28 is a cable from [Castillo] in which he reports on the lethal flight immediately after it occurred. At the bottom of paragraph 3, it says "Arrangements made in strict secrecy to avoid past experience of leaks due to inevitable contacts between UNO/FARN and UNO/FDN."

Didn't this cable indicate to you that [Castillo] was right there at the center of the operations for this lethal drop?

[*C/CATF*]. Let me explain to you that I, [deleted] and in [deleted] were right in the middle of all, right in the middle of it. It was going on around us. We saw parts and glimpses of it, and as I testified before, we were right in the middle of the nutcracker, and we knew we were there, and we knew we were in an awkward position, and I thought each one of my [deleted] and two out of three were politically sophisticated, smart enough, and had steady enough judgment that they were not going to get in the middle of it.

I want to make a point—go back to the Tayacan manual. I came into the task force at the time of the Tayacan manual, and I sat through the IG investigation, and I saw the devastating impact of five letters of reprimand going to the task force chief, [Castillo] who was then a task force officer, [deleted] GS–13 who was his deputy, a staff writer, a contract writer who was just trying to do what was right and two other people. When I came into the task force, I told Clair George, we discussed it at some length, I want to structure the task force so that all the liability, the political heat, falls on me. I don't want anybody else to get in the way of this thing so that when the time comes to stand up someplace, I am accountable, me, and I don't want anybody else to have to take the heat, and I meant in that also my Division Chief, to the degree possible, and also Clair George.

I had two people that got out in front of me for reasons that I still don't entirely understand. One was [Castillo], and one was our [deleted], and those are the two things, along with one other thing I think we will discuss, that troubled me the most about what happened that should not have happened.

The only person that should be sitting in front of this committee answering questions should be me. I told the Tower Commission, and as I told the grand jury, and as I think I told Mr. Barbardoro in the depositon, I knew in November 1984 that I was going to be hauled in front of some board accountable for what I did and what happened, and I wanted only one person to have to take the heat for it, me.

I had my [deleted] get out ahead of me and do things under his own volition that I did not know of, and I think the record is very clear, and he was purposefully circumventing the chain of command to get around me. Frankly, I thought he was smart enough to do them in a way that was within the bounds of the law.

I said "Stay inside the law, support the administration." There was a way he could have done it. If you want me to, I will tell you how he could have done it. He should have done it as it was done in [deleted], he should have buffered himself with the Resistance forces.

He should have said to whoever was [deleted] look, you deal with that man over there, just go and he could have introduced them and put that buffer in between him just like happened in the North and then he could have provided his intelligence, his advice, and his guidance within the scope of the law to that individual, and that individual could have passed it on to whatever contractor or private benefactor he wanted to, and then it becomes legal.

It doesn't become technically within the broad consensus someplace, no, but it is legal and it supports the administration and stays within the confines of the law. It is exactly what we did in [deleted] throughout all of this period, actually even a little bit before this. You come to the KL-43, in preparation for this testimony, we sat absolutely almost speechless when it just dawned on us why didn't he give the KL-43 to his communicator in the Resistance. His problem goes away. I don't have an answer for that. He made his decisions. As I said earlier, I won't criticize those decisions.

Mr. CAROME. You think it would have been proper to give a U.S.-provided encryption device——

[*C/CATF*]. I wouldn't have given it to them. I don't know what I would have done there, but I don't think it was proper to have taken it and I think if he was concerned about it he could have gotten out from under the load of having it done. We were giving at that time and had authorization to give to the Resistance U.S. encryption devices. [Deleted] as authorized by Congress as discussed intensively in the days leading up and during the conference, the committee conference on the Intelligence Authorization Act in November and December of 1985. And that is what we did and that is how he could have solved that problem and kept himself out of the middle of it, I think.

And hindsight is always 20-20 and all those cliches, that is how I would have solved it. It is how I thought he was doing it, how I thought he should have done it. I was astounded at the May meeting and I have been astounded subsequently to see what happened and frankly, I am upset by it. It should not have happened.

Mr. **Carome**. [Castillo] has testified that shortly after the April lethal drop he told your superior, [*C/LA*], of what he was doing precisely, making contacts with the team at [deleted], that he was using a KL-43 to do so.

Did you know that [*C/LA*] has been so informed in April?

[*C/CATF*]. I didn't know at the time that [*C/LA*] had been so informed in April. [*C/LA*] did not discuss that with me. He certainly didn't tell me that he had a KL-43 or an encryption device and I don't recall discussing in any detail the contacts directly with the private benefactors at [deleted]. I don't know what [*C/LA*] told [Castillo] at the meeting. That is for the committee to talk to [*C/LA*] and [Castillo] about and you will have to compare those testimonies.

The fact is that the KL-43 I am certain was never told to me, as to the best of my recollection we didn't discuss the direct contacts with the private benefactors. At that time I was far more concerned about my [deleted] and a [deleted] there who is in a word obstreperous, far senior to me, a difficult personality to deal with and we were having a little trouble holding him in and keeping that setup the way we wanted it.

Mr. **Carome**. By May of 1986 you knew that [Castillo] was dealing directly with the [deleted] operators, is that right?

[*C/CATF*]. By late May of 1986 at the meeting in—actually it was in [deleted], I was a little surprised in what I heard but I would have known there that [Castillo] felt that he was dealing directly with them or was much closer to them than anybody else. The meeting went like this.

First of all, [*C/LA*] took control of the meeting. It surprised me. I was taken aback by it for two reasons, first the force with which he came on and secondly, that he did that because I was used to sort of being the preeminent person and here he was playing a much different role and the dynamics threw me, and I was trying to adjust to it.

I didn't say a lot at the meeting to the best of my recollection. The points were we have to stay away from the private benefactors, that is trouble in the making, we don't want to be anyplace around it, so don't stop it but don't get involved with it.

Mr. **Carome**. Don't stop it?

[*C/CATF*]. Don't try to put a pencil in the spoke, just don't get involved with it.

Mr. **Carome**. But you knew he was involved. Were you telling him to change what he was doing?

[*C/CATF*]. Don't stop the private benefactors, is what I meant, from doing their thing, but don't get involved with it. That was our instruction. [Deleted], do you have a problem, no. [Deleted], not the one there in March, [deleted], do you have a problem. No. It was perfectly clear to me I don't want anyplace near this. My problem was in my political dynamic in [deleted], I don't want to get sideways with the firms, Rodriguez has a good relationship with these people, and I don't want him as my enemy. Meet with Felix and say I am your friend, but I am not going to be involved and back off of it.

That was done. [Castillo] said I have a problem, I have an information flow problem here and I need a way to fix this and the way to fix it is to put a communicator at [deleted] and if I can put a UNO South communicator at [deleted], then my problem goes away.

The decision that came out of the meeting was, [Castillo], go back and see if you can train, give equipment to and cause to be stations in [deleted] a UNO South communicator, and that is where we left it.

Mr. CAROME. It turns out that that communicator was not set up, is that right?

[*C/CATF*]. It was never set up.

Mr. CAROME. You knew it wasn't set up?

[*C/CATF*]. Let me make a point—I will make the point in a minute.

Mr. CAROME. Exhibit 33 is a cable from you I take it to [Castillo] dated July 12, 1986. This is the cable in which [Castillo] is being told that for political reasons the communicator is not going to be put in place and that —that is essentially what the cable says.

Do you recall sending this cable out?

[*C/CATF*]. Yes, I do. I recall this cable very clearly.

Mr. CAROME. [Castillo] has testified that he did not see this cable as telling him to cease and desist his contacts and his role with the resupply operators in [deleted]. Do you see the cable that way?

[*C/CATF*]. Yes, I do. If you will indulge me for a moment, I want to look up a piece of documentation I would like to insert into the record, and it will take me just a minute and then I want to make some comments on this point. I would like to insert this in the record in partial answer to your cable. Let me read it.

As I understand, this is a KL-43 message. I think it is—I don't know who is the —Secord I think is the originator. I don't know who it is going to but it says, "Our understanding CIA, Steele and possibly Ambassador had a long meeting over last 2 days"—this is dated 30 May. "Results thus far. [Castillo] can no longer speak to anyone, including Ralph, on operational matters. CIA says there will be one operator/controller sent here. [Castillo] must turn in his KL-43, we don't know about Steele's. In [Castillo's] conversation with Ralph last night, he said he will be his only means of support, none will come from [deleted]. Do not know yet what Steele's role will be in future. Evidently CIA has done much discussing with Washington lawyers on this and are concerned with their legal status in this program. Know you have the same concern for our position, but can work out with Goode."

I think this is from Dutton to Secord.

Another cable I also want to put into the record, 28 May——

Mr. COHEN. Would you clarify how you got that?

Ms. MCGINN. They were provided to us by the committee, all the declassified exhibits.

[*C/CATF*]. This is a 28 May message which I released to our [deleted] and [deleted] "headquarters wishes to reaffirm with station guidelines that no repeat no [deleted] materiel or monetary support can be provided to UNO/FDN or UNO/South representatives [deleted]. Station can provide advice and commo equipment as approved by headquarters, and can engage in intelligence exchange as approved by headquarters."

I believe very strongly that there is a cause and effect relationship between these two messages and the meeting at [deleted], and I think it is clear from those messages that [Castillo] got the problem and that he had to break.

Chairman **Hamilton**. Without objection, those will be made part of the record.

[*C/CATF*]. Let me make another point here. The day before [Castillo] talked to the—[*C/LA*] in April in [deleted], my task force attorney, [deleted], was in [deleted] the day before. In the meeting with [*C/LA*] as I understand it from [Castillo's] testimony and as I understand it from my discussion with [*C/LA*], [Castillo] said, I need some legal guidance here. I need to know what to do on this thing. Why didn't he ask the attorney? This man right back here, [deleted] is the guy who would have written the guidance. He was there the day before. I can't answer why he didn't ask. That is the guy we would have turned to and he was there 1 day before and it never came up. I am mystified by this and this is one of three things that troubles me the most about this whole endeavor, because something went wrong someplace. I can't tell you what went wrong. I can't tell you why it went wrong.

If you will go back and read all the traffic, and I won't insert it into the record, we made a concerted effort. We went to train and select the man, there is communications about getting the man a visa, getting him down there and then came the cable, we are going to have to pay for his housing and his support and his transportation to [deleted]. My task force attorney came to me and said [*C/CATF*], if you do that you are over the line, that is material support and that takes you too far and you have come too far politically in terms of credibility with the Congress and where you are going in the legislative process to take that chance, don't do it.

I wrote the cable, I said, "All right, go write me a cable that stops it," and that was this cable, and this cable was meant to be within the context of all that's gone before, and it was clear to us we were saying again, don't get there, just ride it our. Find another way but don't do it because it crosses the line, it constitutes materiel or material support to those people at [deleted], and we were being very strict. We wouldn't provide a car to the FDN communicator there or this or that. That's the way it was meant. If it is misinterpreted, then that's a problem that comes with the written word and not being together, and I'm sorry it was misinterpreted. For our mind it was supposed to be clear.

I know that in your testimony and discussion with [Castillo] this was seen as a CYA cable. Trying to get out from under the load and say, hey, guys, fix it. I know there has been a lot of criticism about me about this cable. That's the context it was in, that's what it meant to do. It may have been poorly written. It was clear to me, it was clear to all the rest of us.

What I was saying to him was, "you can't do it that way; you have to stand down. If you can't get him there with a visa, don't get him there. We're not going to do it."

Mr. **Carome**. This cable left [Castillo] without a solution to the problem that you had discussed at the May meeting, didn't it?

[*C/CATF*]. It left him without the May solution, that's right.

Mr. CAROME. And it also says, "To date we have maintained our distance from the private benefactors." That wasn't quite right. You knew [Castillo] had direct contact with the private benefactors, didn't you?

[*C/CATF*]. I knew that he had been in contact with them. I saw that out of the May meeting. I was not sure at that point in time of the depth or scope of the contact. I had no idea they were like they were. I thought we had fixed that problem and had pulled back away from it and considered it a blip on the screen that we had gone back and corrected the record as it was and fixed it. I felt fairly good about where we were with the private benefactors at that point in time, with the exception of where I felt I had gotten out a little too far ahead of myself in February and pulled myself back. But I still thought that we were in a defendable position both politically and legally at that point in time, and that's really what that's saying.

Mr. CAROME. The flights continued after this cable, didn't they, the lethal drops to the Southern Front?

[*C/CATF*]. Yes, they did.

Mr. CAROME. And you knew that [Castillo] was continuing to monitor those flights and play the role that he had played before, didn't you?

[*C/CATF*]. I knew he was monitoring those flights, but I really honestly thought he had fixed a way so he was not in the middle of the things. I did not think he was in the middle.

Mr. CAROME. How do you think he had fixed it?

[*C/CATF*]. I thought he would go through one of two ways. I thought he would either go through the FDN or do it the way I thought before, put an intermediary between himself and the private benefactors.

Mr. CAROME. Did you check and see whether or not he had done so?

[*C/CATF*]. No.

Mr. CAROME. In July of 1986, did you have a discussion with Oliver North in which he offered or suggested the Central Intelligence Agency purchase the assets, the planes being used by the [deleted] team?

[*C/CATF*]. I don't know if it was July of 1986, but in the summer of 1986, after the authorizing legislation passed the House of Representatives and it was fairly certain we would have a bill, that was discussed many times, once with Oliver North directly with me, once with Clair George, once with Director Casey and once at a meeting at the Pentagon, and there were a number of discussions on that. So let us accept if it wasn't in July, it was on or about July, yes.

Mr. CAROME. Who was the proposed seller of these assets?

[*C/CATF*]. He didn't say.

Mr. CAROME. What was the proposed price?

[*C/CATF*]. I don't recall. I don't recall him mentioning a price. He just said, "You ought to buy those airplanes." I've seen prices of $2 million and $4.2 million subsequent to that, but I don't recall him having mentioned a price at that point in time.

Mr. CAROME. What was your position as to whether or not this should happen?

[*C/CATF*]. My position was very, very clear. We were not going to have anything to do with what went before. As I said, and as will probably come out in subsequent testimony, by May or certainly June, I was not unlike Tennessee Williams', "Cat on a Hot Tin Roof." I did not like what I was seeing; I was uncomfortable, and I was back-pedaling, trying to disengage, and I specifically said, "Look, I don't want to contaminate the new program with anything that's got any clutter from the past. I'm not going to buy those." I was relating back to my conversations with Gadd, back to some other things that I had seen in May that bothered me, and I wanted to start over with a clean sheet.

We had already figured out how we were going to supply our air operations and for both operational and political reasons, I wasn't going to touch those airplanes at all, and I told everybody that and was very clear about it.

Mr. CAROME. In August of 1986 you attended a meeting around August 14, I believe, in Don Gregg's office; is that correct?

[*C/CATF*]. Yes, I did.

Mr. CAROME. And also present were Bill Walker, Admiral Corr, Ray Burkhardt, Bob Earl, Sam Watson and possibly Colonel Steele; is that right?

[*C/CATF*]. Yes, to the best of my recollection.

Mr. CAROME. How long was that meeting?

[*C/CATF*]. Forty-five minutes or under.

Mr. CAROME. And the subject matter of that meeting was the inner workings of the resupply operation we have been talking about, wasn't it?

[*C/CATF*]. It was, as I recall, a meeting of two things. First off, I got beaten up very badly for my assessment of Felix Rodriguez. A lot of time was spent there by Don Gregg and Ambassador Corr convincing me Felix Rodriguez was a good guy and both of our [deleted] and me who were working on derivative impressions were unjustly critical of Felix Rodriguez and, secondly, going into the fact that the people running the private benefactor operation were no-goodnicks of various ilk, Felix was a good guy. There was a confrontation between them, as I recall it, and a lot of this is reconstructed from reading things of that meeting. And don't you dare buy those airplanes or don't get involved with these people, says Don Gregg, and was pressing me for assurances that I would not buy those airplanes, and going into the corrupt nature of the people in a generic, broad sense behind that operation.

Felix says they're awful, so on and so forth.

Mr. CAROME. You felt uncomfortable being at that meeting, didn't you?

[*C/CATF*]. One second.

[Witness conferring with counsel.]

[*C/CATF*]. Yes, I did.

Mr. CAROME. Other than Rodriguez's name, was Clines' name mentioned at that meeting?

[*C/CATF*]. I don't recall specifically if Clines' name was mentioned at that meeting, but unsavory characterization in and around the operation was the general impression I had. The people who were there were no good. You don't want to be involved with them. You don't want to be associated with them. It is possible

Clines' name was mentioned, but I must tell you my attention span or focus on that meeting was not very good. I didn't want to be at that meeting, I didn't like where I was. There were things being discussed there I didn't want to be a party to discussing, and I was really kind of PO'd I was there.

Mr. CAROME. Were you afraid you were going to learn something you didn't want to know?

[*C/CATF*]. Be put in a situation I didn't want to be put in.

Mr. CAROME. Did you feel this was an inappropriate discussion altogether?

[*C/CATF*]. I felt it was an inappropriate discussion for that group to be having, yes.

Mr. CAROME. Did you feel it was illegal for that group to be having that discussion?

[*C/CATF*]. I don't think I reflected on the law or not. I reflected more on the politics of it and the fact that it was—once again, I was working on actively disengaging, trying to distance myself, and that was drawing me into something and I didn't like being there and I didn't like the ambiance. This is the first time I had met Don Gregg.

Mr. CAROME. Did you learn anything at that meeting you didn't already know?

[*C/CATF*]. I think that it clarified in my mind the unsavory—it reenforced in my mind the impressions that I had developed over time of the sort of unsavory nature of things out there, and it began to tie pieces together here and there that maybe I hadn't let my mind tie together.

Mr. COHEN. You aren't suggesting Don Gregg was part of the unsavory——

[*C/CATF*]. No, no, not at all. I'm suggesting people over the horizon that I didn't see, and frankly didn't look for, were unsavory.

Mr. CAROME. Wasn't it part of your job as the Chief of the Central American Task Force to know these things? Why were you afraid of knowing these things?

[*C/CATF*]. That's an interesting question. I think people always have a fear of the unknown. I took the decision, and it's probably one of the more controversial decisions that I took, but it's rested on the foundation in my opening statement, I knew where I was and I knew I was caught in this giant nutcracker. And I took the decision as I said to support the administration within the bounds of legality and to do so to the fullest of my ability.

I think I also said when the law changed in 1986 I let the reins out a bit and was a little bit more forward-leaning. As 1986 turned into the summer of 1986 I developed an increasingly specific or increasingly detailed understanding, as I have testified many times, of what was going on. I didn't like what I saw, I felt uncomfortable where I was and I was trying to disengage. We as an agency, Clair George and I, Clair will follow me, took the decision we were not going to investigate the private benefactors, we were not going to try to recruit them. We saw problems with the Executive order there. We saw it putting us in contact with and next to people and in situations which would bring nothing but grief. Maybe it's six of one, half a dozen of another at this point in time, but we felt it was going to bring grief so we made the decision not to get involved with it. I felt and I feel now that these were American citizens and if there was a desire to investigate what was going on, it fell to the FBI, not the CIA. I think I testified to that matter in front of the House Intelligence Committee at one point in time in response sometime in 1985, to a question from Congressman Brown, where he probed very deeply on this subject. He said what do you know about the money going to the FDN? And as I recall the conversation, I said I have been able to trace it back to the Cayman Islands and to maybe an offshore bank account, from there I think it comes back to the United States, and if it involves the United States it is a matter for the FBI to investigate, and I recall that conversation.

I tried to look that up and get a transcript of that and I could not, but that's my recollection of that conversation. Maybe Members or staff recall that as well.

I would like to see if my recollection is correct there. And we did not investigate it. That was the decision we took. And it was the policy of the U.S. Government, the administration, to not impede the private benefactors. That was the policy that I followed, and that I did not investigate them as part of that policy.

Critical, you can criticize the decision and say I'm wrong, but that's it. There it is on the table like it was.

Mr. CAROME. I don't want to get into Brunei in any full-blown way, but I do want to ask you one or two questions on it. You've testified at length in your depositions on it. But I take it it's correct that in the summer of 1986, Elliott Abrams told you of the possibility of receiving a sum of money from Brunei, [deleted] about getting an account set up in the [deleted] and that took place.

Is that roughly correct?

[*C/CATF*]. That's roughly correct.

Mr. CAROME. I have just two specific questions on this.

First, did you have any discussions with Mr. Abrams at the time about what will be done to make sure that the Brunei money that was anticipated would only be used for the humanitarian purpose for which it might lawfully be solicited?

[*C/CATF*]. I absolutely recall this, yes.

Mr. CAROME. Had you such discussions with him?

[*C/CATF*]. Yes.

Mr. CAROME. What was the plan to make sure that money would only be used for humanitarian purposes?

[*C/CATF*]. I don't think you can call it a plan. I remember two snatches of meetings, a phone call and two meetings in the Situation Room attendant to the legislative process. At that point in time we were right in the process of high political intrigue. As most of you recall, both chambers, both chambers had passed a hundred million dollar legislation, the administration was trying to get it to continue and authorized before the August recess, certain elements of the legislature were trying to block that and to drag it out.

There was high intrigue. The House was ragingly divided against itself, and we were having a lot of meetings about how to deal with this in mostly legislative meetings. Elliott said I'm going off to Brunei, I have a possibility of soliciting some money. As I recall it, he said how much do we need? I did some rough calculations. At that point in time I knew where the program was. I said $10 million would bring us both the rest of this fiscal year and would give us something to work with, a little margin next fiscal year.

And I said, he said how do we handle it? I said the best way to handle it is to go to [deleted] and have him open a bank account because we trust the man and the man will help us account for the money, you can make sure that you will be able to have the same accountability apply to that money, [deleted], and we will be able to work with him so that we can control it and have it spent for the things it should be spent for. We didn't go into——

Mr. CAROME. Who was going to control the money?

[*C/CATF*]. [Deleted] UNO.

Mr. CAROME. Would he be overseen in doing that by the United States?

[*C/CATF*]. Absolutely. [Deleted] what I was implying in that conversation and Elliott I don't think recalls it, we do the same thing with this money and this would allow the State Department to have control over that money, so it didn't get diverted around and used for other purposes.

Mr. CAROME. Did you specifically have a discussion with Elliott Abrams in which it was decided that this money would be used only for humanitarian purposes?

[*C/CATF*]. That was clear. I mean in my mind it was clear.

Mr. CAROME. Did you discuss that with him?

[*C/CATF*]. I don't—I recall it, Elliott doesn't recall it. I recall something like if you put it in the [deleted] bank account—excuse me, into the bank account [deleted], you will be able to be sure it is used for the proper purpose, intended purpose consistent with what you can do, something like that. Remember, these were snatches of conversation on the margin of a meeting. I remember them pretty clearly. My short-term memory is not too bad. That meeting I recall because we had to press very, very hard to open the bank account.

I would like to add one other thing because this is important to me, it's important to me in my relationship with this committee. I want to go back to a meeting that took place in the spring of 1986. It became very clear to us that the $27 million of humanitarian money was going to run out before the legislation was ultimately passed. By May I think most of us in the administration that were dealing with this problem were fairly confident the Congress was going to authorize renewed assistance for the Resistance. But NHAO money wasn't going to get us there. We calculated NHAO money, Ambassador Duemling and I ran calculations, would be fully expended sometime by the end of June, legislation may not make it until September and we needed to do something.

That was the subject of an NSPG meeting at the White House, and I think that you have records of that NSPG meeting. On the agenda of that NSPG meeting there were several alternatives discussed. One alternative was coming to the Congress, seeking under the authorities in the Intelligence Authorization Act of 1986, reprogramming of funds to bridge the money. That was the option that I was pushing. I pushed that very hard. I said let's go to the committees, let's go to Congress, let's tell them our problem and let's see if we can't get 2 or 3 million dollars reprogrammed under the Intelligence Authorization Act and bridge ourselves through to this program. I briefed the Director, I argued in the interagency group meeting, got it put on the agenda, and at that meeting one of the cabinet officials that's testified in front of this committee, said that was breathtaking, breathtaking to even think we would consider that.

And after the meeting the Director turned to me and said I'm not going to break my pick on that one, I'm sorry. Once again I tried to do it a different way, but it wasn't done, and somebody—and I take it, I sort of was a little bit disappointed that the—at the way that played out. Because I wanted to go right back and face the issue heads up and see if we couldn't deal with it but others didn't want to deal with it that way.

Mr. Carome. During Oliver North's testimony before this committee, he was asked about the degree of knowledge of his full service, covert operation in Nicaragua, and he was asked specifically about you, and I will read to you what his testimony was.

Mr. Nields asked:

> "How about the Chief of the Central American Task Force?"
>
> Mr. North: "Oh, I am sure that he had a detailed grasp of—well, I say a detailed grasp. I am sure he had an adequate sense of what I was doing."
>
> Question: "And what is the basis for that belief?"
>
> Answer: "We used to have meetings with the Restricted Interagency Group, we used to have secure conference calls and on one occasion I can recall laying out for the group—in fact, I think it was after the hundred million had been voted by both houses, hadn't been sent forward to the President, I can recall a meeting in an office in the Pentagon where I went down item-by-item-by-item the things that I was doing and asked them to, point blank, asked them point blank whether or not I had to continue to do them to keep the Resistance alive because even though the money had been authorized and bills had been passed, we couldn't get it forwarded to the President.
>
> "And I went down item-by-item on my checklist of what I was having directed out each month or each quarter or each week to support the Resistance and I asked them point blank whether this should continue."

He said that at this meeting were you, Mr. Abrams, Mr. Armitage, and perhaps Mr. Michael and General Moellering. He also directed us to an exhibit or an item out of his notebook in which he went through item-by-item these various things that he was doing for the Contras.

And that is exhibit 37 in the book before us. And my question to you is: Was Oliver North right in his testimony to us?

Did you have that kind of very detailed knowledge of exactly what he was doing with this full-service, covert operation?

[*C/CATF*]. Let me, once again, dissect your question into two answers. First off, I think the committee can judge for itself from my answers my level of knowledge on his full service, covert operation. I think I have been forthcoming in telling you what I knew and didn't know, so you be the judge.

Secondly, I recall that meeting. I don't recall it in exactly the same details Oliver North had. I recall it as one of I think a battle royal—is what Secretary Shultz called it, about the tug and pull between the State Department and the Agency and who was going to manage what. The focal point of that meeting was to try to figure out how the administration was going to manage the upcoming program, and the reason it was at the Pentagon was that a neutral party literally was trying to chair the meeting to come to some resolution as to how an Executive order should be written, how we were going to work equations, what State's role was going to be, what the interagency group would like to manage this thing, whether there would be an Executive order followed by a NSDD and a whole raft of managerial questions.

At the meeting Oliver North did insert, once again, to the best of my recollection, the issue of the airplanes. He might have gotten into the issue of food money and the Resistance incurring debt, because we were talking about that.

I have looked at this exhibit and I do not recall him mentioning funding to UNO. It wasn't necessary, we were funding UNO. It wasn't necessary to fund [deleted], we were funding [deleted]. I don't remember him talking about [deleted].

I do remember him talking about the airport. I don't remember him putting a budget on it. So my answer to your question is, I think that the presentation at the meeting that it took place—let me start over again.

I think the meeting took place, is accurate, that some of the things Oliver North said he mentioned, he mentioned. I think there was another whole focal point that was not mentioned.

My recollection of that meeting, and I will be honest with you, I have checked with other people to see if their recollection is the same, is he didn't raise his full service, covert action program there in the context that this exhibit would appear that he laid it out. I want to make it pretty clear at that point in time, as the committee can see, there are things on here he was doing I knew about. I don't recall him having raised them there.

Mr. CAROME. These items wouldn't come as a surprise to you?

[*C/CATF*]. One of them would have. Two of them would have. Let me look at them again.

The subsidy to UNO and UNO U.S. travel. UNO, the subsidy to UNO, would have come as a surprise to me. I didn't know he was subsidizing UNO, [deleted]. I would have argued against it. UNO travel in the United States I didn't know about. [Deleted].

That would have surprised me, and the funding to [deleted]. I did not know that he had—I did not know that he was actually funding [deleted].

Mr. CAROME. I take it that you learned in early October that the Hasenfus plane had been shot down, is that right?

[*C/CATF*]. Yes.

Mr. CAROME. At that point in time, you didn't have any doubt, did you, that this was one in a series of Southern Front resupply missions you had been receiving reports on for a long time?

[*C/CATF*]. The answer was I didn't have any doubt about it, but I turned out to be wrong, it wasn't. It was a supply flight to the FDN, and it was a totally different flight. So the supposition that it had been going to the Southern Front was wrong, it was going to FDN and was not one in the continuum of those flights going into the South and involving [deleted], as best I have been able to piece together.

Mr. CAROME. You didn't have any doubt who it was running that flight, did you?

[*C/CATF*]. No.

Mr. CAROME. I would like you to turn to exhibit 39. Exhibit 39 is excerpts of testimony which you and others gave to the House Intelligence Committee on October 14, 1986, about a week after the Hasenfus flight went down. I refer you first to page 17, in the excerpts about half way through. At that point, Mr. Clair George has just finished making his opening statement in which he has denied any CIA involvement in the flight. Mr. Abrams has also made a statement and he continues here on page 17, both of them, or Mr. George denies any CIA involvement, and then Mr. Abrams denies any U.S. Government involvement in the flight. Is that a fair summary of what the testimony was from those two gentlemen?

[*C/CATF*]. I reviewed that testimony and both the text, the transcript and my recollection from that, that would be a fair presentation of it, yes.

Mr. CAROME. You were sitting there next to Mr. George and Mr. Abrams, weren't you?

[*C/CATF*]. Yes. I don't think I was sitting next to Mr. Abrams. I was sitting next to George on the end, as I recall it.

Mr. CAROME. At the point where Mr. George and Mr. Abrams were making these denials of U.S. knowledge or involvement, you made an affirmative decision at that point to remain silent, didn't you?

[*C/CATF*]. I think the decision was made before that point.

Mr. CAROME. By you?

[*C/CATF*]. Yes. Well, let me now make a comment. I said there were three things I deeply regret in this undertaking. One was the involvement of [deleted], which bothers me the most, because it touches the most people and really was traumatic.

Second was the involvement of [Castillo] because it was not part of the way that it was supposed to be.

Third is this testimony. I am troubled by it then, I am troubled by it now. I am not very happy about it. Probably it was the most difficult decision I have made in my life. I had a lot of facts racing around in my head. The decision that was taken, and I don't think it was taken actively, I don't think it was taken sort of like almost acquiescence, was to answer the questions narrowly defined. I think Elliott Abrams has testified to you a lot on this subject, and you will look at the construction of Clair George's discussions, I talk for the Agency, I cannot talk for the U.S. Government.

Who was behind the flights? I didn't know where the money was coming from. I hadn't tied it altogether in a nice neat package. We took answers that I would best describe to you as cute, not the way I testify to Congress now or before or after. I was troubled by that. I am troubled by it now. There is not a lot I can do about it. You can go over this testimony word by word and beat me about the head and shoulders by it, and I will take it. It was what it is. You have got the facts. Judge for yourselves.

Mr. CAROME. You were in fact glad at the time that these specific questions weren't being put to you; you were grateful that you were not being directly asked the questions, is that right?

[*C/CATF*]. Absolutely. Some of you that know me know I like to talk. I express my opinions. I enjoy testifying in front of Congress. This is one time I think if you look at the transcript, I was unique-ly silent. I did what my mama taught me not very well, I spoke when spoken to.

Mr. **Carome**. But there came a time when you were asked some questions and did give some answers, didn't you?

[*C/CATF*]. Yes.

Mr. **Carome**. I refer to page 20, of this testimony. The chairman asks, "Do you know who that group was or is?"

Mr. George answered—This is who the private benefactor group is—Mr. George answers: "I do not. I told you, Mr. Chairman, and I know this may cause some serious questioning, but we told our people to stay away from them."

Then the chairman says, "You don't know whose airplane that was?"

And Mr. George answers: "I have no idea—I read—except what I read in the paper."

Then the chairman asks: "I understand, but you don't know?"

And then you answer: "No, we do not know."

Was that an honest answer you gave?

[*C/CATF*]. That was an honest answer. It was not a complete answer. I didn't know that Fred Dutton was running those flights. I didn't know Bill Cooper was on those flights. I didn't know Buzz Sawyer was on those flights. I didn't know how they were arranged. I did not know what happened after Gadd had quit. I did not know how the funding worked. I did not know where the money came from. There were a lot of details I didn't have. That was an honest answer, not a complete answer.

Mr. **Carome**. I would like to go to page 21 where you say, at the bottom of page 20, "We knew in some cases much less frequently that they were flying [deleted] Nicaragua for the purpose of resupply, but as to who was flying the flights and who was behind them, we do not know."

The chairman asks: "And you still don't?"

And you answer: "No."

Now, that was a false answer, wasn't it? You knew who was flying those flights?

[*C/CATF*]. Let's go back again. I want to make one thing very, very clear. I don't lie and I don't provide false answers, and if I'm put in a situation that is untenable, I will find some way to avoid lying. Lying in my business is a kiss of death, a Judas kiss. I didn't know who was flying those flights.

Mr. **Carome**. Or who was behind them, is what you said?

[*C/CATF*]. You could have put me on a rack and I couldn't have told you who the pilots were, who was managing them. I at that time suspected, but didn't know that General Secord was involved with them. I had no idea where the money was coming from. Had you made me guess, I would have said it was coming from some of the gentlemen that you had in front of this committee, the donors, some of the people—I would not have known that the money was being obtained in the manner that it was obtained. The pieces weren't together. It is not a lie. I could have been more forthcoming to the committee, but I frankly was not going to be the first person to step up and do that. You may call that a cowardly decision, some may call it a brave decision, it is a controversial decision, but so long as others who knew the details, as much as I, who knew more than I, were keeping their silence on this, I was going to keep my silence. That may be false loyalty, it may be folly, but I said before that I worked for the administration, and I was to support the administration, and to stay within the bounds of the law. That answer was an attempt to do that and you can criticize me for it. I have no excuse for the answer, and I have to stand by whatever accrues from it.

As I said, we can continue to pick this apart, and I think you will find the same answer.

Mr. CAROME. I'm going to move on to another subject. When did you first learn of the fact that funds had been diverted from the arms sales in Iran to the Contras?

[*C/CATF*]. The morning of bombshell Tuesday, I think it was the 25th of November, the morning that the Attorney General announced the—made his announcements on television at noontime.

Mr. CAROME. I ask you to turn to exhibit 41. This is the last exhibit I will ask you to look at today. This is excerpts from your testimony before the Tower Board.

Here you tell the Tower Board that you had been on a trip in Central America with Director Casey in the middle of November. I'm looking at the middle of page 40. And that while you were on that trip, a courier came down who was coming down to meet him with his briefs and such so he could do his work on the airplane, and get ready for his testimony. And the courier said to him, you know, there may be a problem on diversion and that was 8 or 10 days before it broke in the newspapers.

[*C/CATF*]. He said there may be a problem. I didn't consider it definitive and I recall that—frankly, I didn't recall that either in my deposition but he did make that point and I think he referred to some [deleted]. I have subsequently asked him, was it the smoking-gun memo or [deleted] that Ollie has referred to here. I suppose you could say that is a glimpse of foreknowledge, I don't deny that, and I forgot that.

The first time I knew it in spades was when I was told by Clair George on the 25th that Meese was going to make his announcements.

Mr. CAROME. This would have been the Wednesday before the Director testified, is that right, around November 19th?

[*C/CATF*]. It was a Thursday. No, it was a Wednesday.

Mr. CAROME. That would have been November 19th, some 6 days before the public announcement. Who was the courier?

[*C/CATF*]. [Deleted].

Mr. CAROME. Do you recall whether he specifically used the word "diversion"?

[*C/CATF*]. No, I don't recall the conversation. It was something like there may be a problem with the money; [deleted] more money than we got, something like that.

Mr. CAROME. I have no further questions, Mr. Chairman.

[*C/CATF*]. Mr. Chairman, there is one exhibit, thanks to the kindness of the counsel, I got to look at the exhibits—one exhibit I would like to talk to because it bothers me. It is May 2——

Mr. CAROME. Could you give us the number of the exhibit? There is a tab there just so we can refer to it.

[*C/CATF*]. This will relate back to some of the questions you have asked me. I want to put this on the board up front right now.

Mr. CAROME. What exhibit number?

Ms. McGINN. Forty-three-twenty-six.

[*C/CATF*]. It is a phone call. It says, "call from [*C/CATF*]," and it lays out there something about Clines, [deleted] and so on and so forth.

And I have reflected back on this and in all probability this is a phone call I made to Ollie North when I saw a cable coming out of Europe that talked about Tom Clines buying arms from [deleted], et cetera, and the conversation went something like, "Ollie, are any of your people dealing with Tom Clines? If so, he's bad news, stay away from him." That is really probably the watershed when I really started to get and see, because I know [deleted] about Tom Clines, Wilson, and Terpil, and I knew it was big-time bad and I told Ollie that and tried to give him a waveoff. I wanted to put that on the record now rather than just let that one seep out.

Mr. CAROME. Did you notify your superiors of that?

[*C/CATF*]. I don't recall. I don't think so.

Mr. CAROME. I have nothing further, Mr. Chairman.

Chairman HAMILTON. The committee will take a 10-minute recess and when we return, we will begin with Mr. Leon for questions.

[Recess.]

Chairman HAMILTON. The Select Committees will resume sitting and the chair recognizes Mr. Leon.

Mr. LEON. Thank you, Mr. Chairman.

Good morning, [*C/CATF*].

Let me start off by going back to a point that I believe you have made and look at that a little more closely, and it is a point that I think was made in your deposition as well and is perhaps reflected in some of the documents that have been looked at and that are floating around here. And that is with respect to your reaction and handling of a couple of incidents during 1986.

The first one that I wanted to focus you on was your learning about [Castillo's] involvement with the private benefactors from the point of view of relaying information, communicating with them, and I believe it was your testimony in your deposition and I think as well today that when you learned about it, you were surprised, concerned, and you were concerned not so much from a legal standpoint, but from a policy standpoint because of the political ramifications potentially to this kind of conduct. Is that a fair assessment?

[*C/CATF*]. That is exactly right, yes.

Mr. LEON. I believe you were conscious of it, thinking ahead down the road to the funding issue and how the House and the Senate were going to handle that, and of course, that was in May of 1986, and June was the big vote, June 25th, isn't that right?

[*C/CATF*]. Yes, there is also one other thing that I was concerned about.

Mr. LEON. What was that?

[*C/CATF*]. I told you in my testimony that in November or thereabouts or very early on in 1984, when I took this job, I felt that—I think the exact words I used were, the odds of me getting through this thing unscathed are minimal, and I want to structure it so that the responsibility for what happened comes on me and I didn't want it to proliferate down to people below me, and this did that and it called a lot of things into question that I didn't want called into question, so it concerned me politically and managerially.

Mr. LEON. Following close on the heels of that revelation in May, and your concern that flowed from it, was the July 12th cable that has been referred to in a number of ways, but I'll just refer to it as exhibit 33.

In that cable there is a sentence, if you have it before you; it is the second sentence of exhibit 33. "With the House passage of the proposed program of assistance to the Nicaraguan Resistance, we have taken a second look at the commo link"—that is communications, isn't it?

[*C/CATF*]. Yes, it is.

Mr. LEON. You get down later in the same paragraph, paragraph one, and it reads, about the fourth line from the bottom of paragraph one: "Consequently, we do not wish to have"—what is that, [deleted]?

[*C/CATF*]. It is a crypt for CIA.

Mr. LEON. "We do not wish to have CIA-provided assistance tied into an entity that may or may not be bad. We have come too far at this time to let the solid operations that [deleted] has built be jeopardized by elements which we were unable to control."

This again is another reference to the Agency's concern about the political ramifications of its agents and its staff, is it not?

[*C/CATF*]. It is, and I would reflect back to the closing comment I made about the 2 May notes from Ollie's notebook. That is the concern that we were developing. We didn't know what we were dealing with. It was an unknown and I didn't like it, and was trying to disengage and get ourselves back from it further than we were.

Mr. LEON. Was there an assessment by the Agency with respect to the entity which you referred to, which I assume to mean the private resupply effort, as to whether or not it was good or bad from a legal standpoint? Had there been any assessments at that point?

[*C/CATF*]. No, there had not been. We had looked at our actions and determined—and were constantly determining whether or not they were legal. We did not look at the actions of others to determine whether or not they may or may not have been legal.

Mr. LEON. Now, Assistant Secretary Abrams testified that some 3 weeks after the Hasenfus shootdown, he was informed by [*C/LA*] that there may be a problem, impliedly a legal problem vis-a-vis Boland in Central America with regard to [Castillo's] involvement with the private benefactors through the KL-43 equipment. Following on the heels of that being brought to the Secretary's attention, I believe his testimony was that there was going to be an investigation of some sort by the Agency into that, and I noted in exhibit 32, which you may have in front of you, that there is a memorandum on November 25th which was, I believe you referred to it as bombblast Tuesday or something like that.

[*C/CATF*]. Bombshell Tuesday.

Mr. LEON. Bombblast, bombshell Tuesday, whatever, with regard to possible improprieties by [Castillo], isn't that right? Are you familiar with that memorandum?

[*C/CATF*]. Yes, I am. I read it at the time, and I've read it subsequently.

Mr. LEON. Was the writing of that memorandum on that date in any way influenced by the fact of the bombshell that fell on that day?

[*C/CATF*]. I can't say for certain. I don't recall, but one would have to draw that conclusion. But the discussions of the impropriety predate that considerably.

Mr. LEON. The concerns certainly?

[*C/CATF*]. No, more than the concerns. After the passage of—after the final passage of the law or in the final days in October, I don't remember the exact dates in October, we made one of our periodic interagency group trips to Central America and one of the stops of course was [deleted], and in [deleted] we had a very quick sort of a meeting and at the end—[deleted]—at the end of the meeting [Castillo] pulled me aside and said, "I've got a problem." And then he laid out the fact that there had been phone calls to a safehouse in or to a house in [deleted] and phone numbers had been uncovered by a journalist about to go public.

Mr. LEON. But it was a problem that was newspaper-generated?

[*C/CATF*]. Newspaper-generated, right.

Mr. LEON. I should say the uncovering of the problem was a newspaper-generated concern?

[*C/CATF*]. Exactly, and at that point in time, I scraped myself up off the floor, I don't remember my exact words, I'm sure there were a few expletives, and then we—I said, "Well [Castillo]," I think, I said, "What can we do about it?" a natural reaction, and we determined that there wasn't. I then came back—I talked briefly about it to Ambassador [deleted] and [deleted] said, very forcefully, "Well, anything that anybody did at this mission, they did it at my directions; [Castillo] is not in trouble, I take the difficulty or whatever for it." I said, "OK," and went back and reported that to [*C/LA*] and [*C/LA*] subsequently reported it to George, and there was a discussion what to do about it and it was put in writing on the 25th of November.

Mr. LEON. Now, here we have a series of incidences we have just gone through briefly stemming from May through this November memorandum. And I would like to culminate this little sequence with the final memorandum which I don't believe is in the exhibit book, but I would like to hand it to you to have it looked at.

If someone could show it to you. This is a memorandum that was an exhibit when [Castillo] appeared before this committee, [Castillo], exhibit 13 at that time, and it was referred to in his testimony. It is a March 2 memorandum for the general counsel of the Agency from George Jameson, one of his associate general counsel, looking at and analyzing the assistance to the military supply activities of the Nicaraguan Resistance by [Castillo] and I would like to draw your attention to a couple of passages in it.

First of all, in the summary section on page 2, there is a segment there toward the end that reads half way through the paragraph, "In my opinion, the law provided authority for CIA to provide information involving safe delivery sites, weather conditions, hostile risk assessments and the like to assist the Nicaraguan Resistance in their resupply activities where CIA's role did not amount to participating in the actual delivery of material or in planning, directing, or otherwise coordinating deliveries during the course of or in the context of specific military engagements."

Then I would direct your attention to the conclusion section. It is a lengthy memo so there is not much sense in going through the whole thing, but going through the conclusion section, about midway through the paragraph on the bottom of page 7, it says, "However, merely passing intelligence on Sandinista's gun or radar placements, weather conditions, flight vectors and other information to assist in the delivery of supplies for general maintenance of the forces in the field would not seem to be prohibited, both because this would not constitute 'participation' and because this would not be 'integral' to a 'paramilitary operation' as contemplated by Congress. To adopt the more restrictive view of HPSCI Chairman Hamilton would require a determination that all advice or information sharing on logistics operations, even general advice unrelated to a specific resupply effort, would be prohibited because that too would be participation, 'integral' to military operations in Nicaragua. Congress in my view did not intend to go so far. Accordingly, the same kind of information sharing which the public benefactors for general resupply logistics activities not 'integral' to specific military or paramilitary operations as they term them was contemplated by the statute also would not be precluded by the law."

Did you happen to see this memorandum in March of 1987?

[*C/CATF*]. Yes, I did.

Mr. LEON. I would ask, Mr. Chairman, this be included as an exhibit for this part of the record as well.

Chairman HAMILTON. Without objection, so ordered.

Mr. LEON. Wouldn't it have been nice if this memorandum, vindicating legally the conduct of [Castillo] had been available to you and your colleagues before you appeared before that HPSCI meeting in October 1986?

[*C/CATF*]. It would have been nice to have had that written in March or February of 1986, as a matter of fact.

[The document appears in Appendix B.]

Mr. LEON. Considering the fact this memorandum didn't get written until March of 1987, did perhaps the Agency let the cart go before the horse? Had there been enough legal analysis and advice early enough in order to guide you with regard to the conduct of [Castillo]?

[*C/CATF*]. I think I have a—I think Judge Sporkin looked at that, but I would have to refer to my notes to check. Just one second. I think Judge Sporkin may have looked at that. If you will indulge me——

Mr. LEON. Look at that memorandum.

Here is what I'm getting at. Obviously you have testified you were concerned back in March, excuse me, May, with regard to the conduct of [Castillo] and obviously you were concerned of the political ramifications of it. You have also testified that the law you believe you might have said was changed in late 1985, with regard to intelligence passage but I think it was clarified as opposed to change, wouldn't you agree?

[*C/CATF*]. No, changed. And I could almost, I don't have the laws in front of me, but prior to 19—in December 1985, we had the Boland restriction in the Intelligence Authorization Act and a slight modification in the fiscal year 1986 supplemental which authorized the $27 million which allowed very narrow intelligence sharing. Then in the Intelligence Authorization Act of 1986 the Boland Amendment as constructed went away. It was replaced with language that I don't recall specifically, but it said something like CIA may participate in activities to support the Democratic Resistance as authorized by Congress to include [deleted], so on and so forth.

Anything else must be specifically authorized by Congress.

Now, the key to this was that indirect—direct prohibitions of Boland went away and that unshackled a lot of things politically. [Deleted]. The absolute prohibition of doing anything at all that constituted indirect support to paramilitary activities went away. We could do a lot of things that represented indirect support and did. [Deleted]. There was a fundamental difference in the law from December of 1986. [Deleted].

Mr. LEON. Were you aware, [*C/CATF*], that prior to that change and that clarification, whichever interpretation might ultimately be had, before it was made more explicit that passage of intelligence and communications support was permissible, that there had been a difference of opinion prior to the fall of 1985 as to whether the Agency was free under the law to do that? Were you aware there was a difference of opinion on that subject?

[*C/CATF*]. Yes, I knew there was a difference of opinion.

Mr. LEON. The conference report indicated this was an effort to make this implicit the Agency was free to do that. Did you have that understanding?

[*C/CATF*]. Yes. I'll go back——

Mr. LEON. I don't want you to trace the history, time is limited here.

[*C/CATF*]. Yes. In general terms.

Mr. LEON. Now, with respect to 1986, and the conduct of your group and [Castillo], isn't it fair to say that his conduct vis-a-vis the private donors here, private benefactors, was not violative of law as viewed by the Central Intelligence Agency but violative of policy, a policy that was more restrictive than the law?

[*C/CATF*]. I think that's exactly right. We felt that, as I testified, I felt at the time that we wanted to take a slightly more conservative position and keep buffers between us and private benefactors. What [Castillo] did was seen in May, was seen subsequently during those October discussions as a violation of policy, not a violation of law, and a matter that we had to deal with internally to try to rectify it.

He just got out a little in front of himself in doing those things. We did not think, I did not think that [Castillo] was involved in a violation of the law. So that is right. And also you are correct that there was a differentiation of interpretation of what the fiscal year 1986 Intelligence Authorization Act specifically meant with regard to the logistics support.

As I testified earlier there was a difference of opinion between the House Committee and the Senate Committee and there were exchanges of letters, three to be exact, trying to reconcile that. It never got totally reconciled.

Mr. LEON. Do you feel looking back on it [Castillo's] conduct falls within the confines of this opinion that I just handed to you, this March 1987, opinion?

[*C/CATF*]. Contrary to sort of—I'm not a lawyer, and I don't purport to be one. I am strictly a sort of, I guess it is an avocation I try to follow.

Mr. LEON. It is a blessing sometimes.

[*C/CATF*]. I try to follow it. I depend upon my attorney in the task force and Mr. Jameson to sort of refine and hone in discussion with other laws to refine my opinion.

Based on those discussions, I don't think that it represents a violation of the law. But that's not anything like a definitive opinion, that's me absorbing information coming to a layman's opinion.

Mr. LEON. So when you made your decision, and I don't want there to be any doubt about this, when you made your decision to be silent in October, when you were in that HPSCI room, you weren't remaining silent because you thought [Castillo] had done anything illegal or anyone in your shop had done anything illegal, did you?

[*C/CATF*]. No. I felt very comfortable with the statements that were made not only to the HPSCI but also to the Foreign Relations Committee, CIA was not involved in those flights, and that we had stayed within the bounds of the law.

Once again I knew when you go outside those narrow definitions things were perilous and there were pitfalls out there. To answer your specific question, no, I don't think [Castillo] had broken the law, I don't think [Castillo] with regard to passing, with regard to what I know at this point in time it's still my opinion what [Castillo] did with those flights in passing information doesn't represent a technical violation of the law.

Mr. LEON. All right. Let me move into another area. You were operating in a RIG setting, an interagency group, Restricted Interagency Group setting and you were acting in that capacity with a number of other people, none of whom you had authority over. Is that a fair statement?

[*C/CATF*]. That's a fair statement, yes.

Mr. LEON. And there was someone from the State Department, Defense Department as well as CIA. You weren't in a position to order any of them to do anything, were you?

[*C/CATF*]. No, I was not.

Mr. LEON. With regard to that working arrangement you were operating under, let me highlight a few facts here and ask you to comment on them after I highlight them. You correct me if I'm wrong along the way now, because I'm attempting to summarize some of these facts.

I believe you have testified either in deposition or here or both that in February of 1986, you were concerned about the loading of a flight with lethals that Felix Rodriguez was overseeing, it was a C-130 and you got in touch with Ollie and asked that that be stopped. Is that correct?

[*C/CATF*]. Yes. I still don't know if there was lethal material on that flight. I was concerned about the type of aircraft, the flight and so on and so forth within the context of this, the very narrow limitations [deleted] had authorized those flights to take place.

Mr. LEON. In that same month just prior to that or shortly after that, Ollie showed off a number of pictures at a meeting, I think you have testified to this event, and you have testified I think you thought that was dumb and that he shouldn't have done that and you commented to him on that, did you not?

[*C/CATF*]. Yes, I did.

Mr. LEON. And then in April, a little shortly after that, there was another series of activities involving a KL–43 message and I believe you have testified although the KL–43 message indicated you had given approval you hadn't given approval, do you remember that?

[*C/CATF*]. To the best of my recollection. I have no recollection of having approved that flight. I've testified to that three times now.

Mr. LEON. Then you testified to the May meeting involving the communications that [Castillo] was doing to assist the private benefactors, the concern that arose out of that. And then that was followed by the June events when the House vote was won and July, your stand-down, or however you wish to have it, however it will be characterized, cable. And there were articles at that time about Colonel North, were there not, in the media and a resolution of inquiry was instituted?

[*C/CATF*]. Yes, there were and even before that.

Mr. LEON. There was a political problem, so to speak, going on at that time.

[*C/CATF*]. There was one brewing, there were storm clouds on the horizon, yes, there were.

Mr. LEON. In this very compacted period of time, you had had a number of conversations with Colonel North, some of which indicated your displeasure with things he was doing, yet you couldn't order him what to do. In a RIG setting like that, what is it you are supposed to do? Are you your brother's keeper?

[*C/CATF*]. I think Elliott Abrams testified to his frustration at the RIG not being able to order things around. I could not be my brother's keeper. As I said yesterday, I did what I could to influence events, to cause things to happen that I thought were appropriate.

I did what I could to stop things where I thought they were inappropriate, but the major thing on which I was inflexible was keeping the Agency within the bounds of legality and propriety. That was my task. That is what I tried to do.

Mr. LEON. You told Colonel North you were against the whole airstrip idea at some point?

[*C/CATF*]. I told him as time wore on, particularly in the spring of 1986, as clearly we were running towards problems, we were defining our operations thinking about things, we didn't need the airstrip, not to worry about it, not to hassle with it, it was not something that was necessary for us, and I particularly was there in [deleted], I believe it was in May or thereabouts, when [Castillo] went to a meeting [deleted] and was told officially they could not use the airstrip.

I was not at the meeting. I was at a meeting with another person. And then came back the next day [deleted] and in a meeting with Ambassador [deleted] and [Castillo] said don't worry about it, forget it, let it go, it is not a big thing. That airstrip was not—is not integral to the plan we developed in the spring of 1986.

Mr. LEON. Is there any lesson that can be learned, do you think, [*C/CATF*], from the experience you have been through here in this RIG setting in a situation where you have a political dynamic like you have described and you have various RIG members with varying opinions on how to handle things and differences of opinions on how to protect, particularly, and risks to be taken politically, is there a lesson to be learned either by yourselves or by others in a similar situation in the Agency on how to best handle these for the future?

[*C/CATF*]. There is a lesson to be learned for us all in that. I think the lesson for me to have learned was to have been a little bit more cautious in the first 2 months of 1986, when I said I let the reins out and then had to pull myself back in—that is my lesson. I have asked myself a hundred times if I could go back and do it over again what would I do differently? And I put that thought out of my mind, because I couldn't, and so there is not a lot of sense in thinking about it.

But the major lesson, and I wish Chairman Hamilton were here to hear this, comes out of the summer of 1985, in which we had intensive meetings with Chairman Whitten, Chairman Hamilton, and with Chairman Boland and anybody else who would listen and pleaded, pleaded not to write CIA out of managing the $27 million, not to do it. And then in December, November, again at my urging, Bud McFarlane convened a meeting in the White House. At that meeting was Chairman Hamilton, Vice Chairman of the Intelligence Committee—his name has gone out of my mind—last year from the—Congressman Cheney, Congressman McCurdy and later Senator Durenberger, and Mr. McFarlane asked, almost pleaded for four things. He said, please in the Intelligence Authorization Act give us intelligence sharing, give us communications equipment, give us logistics, and give us air defense.

We said air defense is negotiable. We probably can get along without it. These are the three things we need for this Resistance to survive until we resolve the divisions in Congress.

We didn't get that. The lesson to have been learned was not to have vindictive, not to be a house divided against ourselves, not to write our DOD, CIA, two entities in the Government that could have run that program and run it right and force State Department to put the RIG unit together with bubblegum and bailing wire to try to do something they weren't prepared to do, and not to stiff the administration when they pleaded to give them something so they could avoid a problem.

That was an attempt by me to work with Congress. I, in large measure, caused that meeting to happen, and I was the one that said please give us logistics advice, and I think if Chairman Hamilton were here he would remember some of the comments I made at that meeting describing the problems.

I did it because I knew the nutcracker I was in and I could see the problem over the horizon and I was trying to solve it.

The lesson is not to be a house divided against yourself. And the lesson for me for 2 months was I should have been a little more cautious, and the lesson for all of us is we are going to have more problems like this if we are divided, if we fight with each other and if we can't find consensus and we ought to learn them because the future is not bright if we don't.

Mr. LEON. Let me just turn to one last area, [*C/CATF*], before I finish, and that is with respect to a couple of points you made both in your deposition and I think in your testimony today. You have talked about almost an operational, I believe, I think it would be fair to characterize it as an operational role that you assumed of staying out of harm's way both politically and legally and one of the ways you would do that would be to back away from situations that you felt were uncomfortable, and instances that have come up as examples were: Ollie showing these pictures; Gadd flying into Nicaragua situation; the Donald Gregg meeting you said you felt very uncomfortable about; and I believe that you even went so far, at one point, to describe this as a CIA operational role that is assumed in some instances.

[*C/CATF*]. Posture was the word.

Mr. LEON. Posture. Perhaps one could conclude from it sometimes in your situation in dealing with politics a little knowledge is a dangerous thing. But would it be safe to say that this modus operandi you were involved in here was a difficult one for you to assume even though nonetheless you decided you had to assume it?

I mean, Woody Hayes didn't teach you to back away from situations, did he?

[*C/CATF*]. It is not my proclivity to back away from things. I suppose I have been described as a guy who gets in the middle and takes care of things, but I also——

Mr. LEON. You were the one who wanted to go to Congress, were you not?

[*C/CATF*]. Yes.

Mr. LEON. Who was the Cabinet officer who characterized that as a breathtaking idea?

[*C/CATF*]. Secretary Shultz.

Mr. LEON. You wanted to go forward?

[*C/CATF*]. Yes, I did.

Mr. LEON. You wanted to proceed ahead on it? And yet there was an instance where you had an opportunity before Congress and you testified, regrettably that you didn't go forward, that you did hold back, so to speak. My question to you today is: Here you have another opportunity before Congress, and are you sitting there prepared to assure this committee that you are not holding back, you are not in a backing-away mode of operation? Are you giving this committee everything?

[*C/CATF*]. I will let the committee be the judge of that as finally they must be, but the answer to your question is yes.

Mr. LEON. No further questions.

Chairman HAMILTON. The committee will begin questions now by the principal questioners. They each have 20 minutes.

The chair recognizes Senator Rudman.

Mr. **Rudman**. Just for planning purposes, is there any possibility we are going to finish with this witness and go on to our third witness and be done by some time early this evening or does it look like we are going to have to do it again tomorrow?

I am wondering how long the questioning is going to be.

Chairman **Hamilton**. Both the witness and I hope we will complete his testimony early this afternoon. I do intend to go ahead with Mr. George and get as much of his testimony today as we can.

Mr. **Rudman**. Thank you, Mr. Chairman.

Mr. **Boren**. Since I have to chair another meeting for a brief time at 2:00, Mr. DeWine indicated after Chairman Stokes he will allow me to alternate at that point since I couldn't be back precisely at 2:00.

Chairman **Hamilton**. We will be glad to recognize Senator Boren after Congressman Stokes.

Congressman Stokes, you may proceed. Twenty minutes.

Mr. **Stokes**. Thank you, Mr. Chairman.

[*C/CATF*], I want to start out with a question involving your testimony on October 14, 1986. I don't pose the question in any way to beat up on you. You already have been very forthcoming about your manner of conduct that day before the House committee. But as I recall, you said that you had decided before you got there not to speak up first, that is not to answer fully, and, of course, you told us today you regret that decision, and I certainly respect you for the forthcoming manner in which you testified about it, but I guess what I want to get at is the question of what were the reasons for your decision? I want to try to get at what was going through your mind, and I guess specifically I would ask you to tell us whether you were trying to protect Ollie North, were you trying to protect Contra aid, were you trying to protect Mr. Casey?

Just give us some idea, some semblance of what went into that decision, if you can.

[*C/CATF*]. I can try. It is very complicated, and very personal, and I think it was strictly, one, to put it in a broad spectrum, I was a member of the team, I was a member of the administration team, I wasn't going to break ranks with the team. I didn't know it all, I knew bits and pieces of it.

I think I probably—I knew more certainly than anybody else at the Agency with—I don't know where Director Casey was because I will parenthetically say he never talked to me about these things, I respect him for it. I couldn't comment on Oliver North's testimony relative to Director Casey. I just don't know where he was because he was very good about not drawing me into these things, not forcing me into awkward positions.

My frame of mind was to protect, was to be a member of the team, not to get out ahead, to try to get through this, focus on what I had been focusing on, the new program which was upcoming which I knew would be a management challenge of the first order, and get onto that and try to get through where we were, and to do it without lying, try to go through as best we could.

I would point out to you, I don't mean this as a cop out, I was not the senior witness at the table. And I was not going to get out ahead of other people who were there, and I played a passive role as best I could.

[Deleted].

Mr. STOKES. Yesterday you testified that Colonel North told you that funding for [deleted] and [deleted] could be continued after the Congress had cut off appropriated funds; is that correct?

[*C/CATF*]. I testified to that effect. [Deleted]. Ollie confirmed that to me at a meeting in February or after that and it was confirmed by [deleted] and there was some discussion of that, that, quote, the—whoever they were—the private donors were taking care of [deleted].

Mr. STOKES. On exhibit 9, let me refer you to that for a moment. On the second page there is a notation of a phone call from you and it says "$5,000 for [deleted] to pass to [deleted]."

Is this request similar to the one on the first page of this exhibit where you asked Colonel North to provide $25,000 for [deleted]?

[*C/CATF*]. As I think I testified yesterday, I don't have a specific recollection of having asked Colonel North to provide money to [deleted] and I certainly don't have a recollection but I do recall in the—I think this is 1985, is it not—I do recall in the 1985 timeframe, around that time, May, June, discussing [deleted] financial problems and the fact that he needed money, and it is entirely possible that I said he needs $25,000 or so to Ollie North.

On the second, I just don't know. "5K for [deleted] to pass to [deleted]," I don't know what [deleted] he is talking about and that is not the way I would have characterized something to pass money from [deleted] to [deleted] for something else. If [deleted] needed money, then the money would have been passed directly to [deleted].

I don't recall that and that doesn't sound like me, that is not the way I do business.

Mr. STOKES. Would it be a fair statement to say that in the case of [deleted] and [deleted] that you handed off funding responsibility to Colonel North?

[*C/CATF*]. It can be characterized that way or it can be characterized that I told Oliver North the problem and said, look, maybe you can solve it. I can't deal with it. That is the way I looked at it. It is a nuance difference as to whether that is a handoff or what.

Mr. STOKES. [*C/CATF*], are you aware of a standing request from the House Intelligence Committee for all CIA reporting concerning the Contras?

[*C/CATF*]. Yes.

Mr. STOKES. Are you also aware that the committee regularly examines this material?

[*C/CATF*]. I am aware that Mr. Giza from the committee does do that, yes.

Mr. STOKES. Are you also aware that some limited dissemination reports were withheld from the committee and that by coincidence perhaps these reports were the following: reports that identified General Secord buying arms in [deleted] in March 1985, reports that showed the air resupply operations using C–7s and C–123s beginning in November 1985, and reports that show [deleted] arms shipments to the Contras. These reports are limited dissemination, but the committee reviews this kind of reporting. So my question is, why was this material withheld from the committee?

[*C/CATF*]. I answered that in the deposition, I will give you the same answer again. They asked the question a hundred times, and I have to give the same answer. I didn't know that that happened.

It came to my attention in the 14 September meeting when I think if we go back to the testimony in response to questions I believe by Chairman Brown, I said we have reported on these things, we reported in considerable detail, and I believe Mr. Giza had read the intelligence reports—I can still see Mr. Giza behind your shoulder shaking his head no.

I went back and asked my Chief of Reports, did you show these reports to Mr. Giza, and he said no. I said why not, and he said they are sensitive memo disseminations, and I didn't think that I should have done that.

I said, I told you to show him all reporting. He said, but I didn't show them to him. I said show them to Mr. Giza, and the answer is a technician, a very good technician, made a technical decision, and that was his decision, and I didn't followup on it, I didn't look at the things that Mr. Giza looked at, and it was no attempt to hide them from anybody.

Believe me, if we were trying to cover those up, those wouldn't have been disseminated to the DDI and the DDI wouldn't have written product on them. The answer is it was a technical slip-up that is regrettable, open to multiple interpretation if one wants to look at it maliciously, but it wasn't meant to be malicious.

Mr. STOKES. The bottom line is had it not been for this investigation, we would have never seen those documents, isn't that true?

[*C/CATF*]. That is probably right.

Mr. STOKES. In your May 1 deposition, you indicated that there had been a CIA approach [deleted] in the fall of 1986, after the $100 million Contra aid program had been enacted. This was apparently developed in conversations between Director Casey and an individual who had good connections with [deleted]. You were directed to dispatch one of your deputies to meet with the person in New York. Can you tell us why CIA sought to solicit aid for the Contras from a foreign government just after Congress had provided $100 million for the Contras?

[*C/CATF*]. Yes, I can. The—when we did our budget for the program and we projected it out, I projected that if we did everything we wanted to get done, we would have probably an $8- or a $10-million-dollar shortfall off the $100 million.

I think you will reflect back to my conversations in response to counsel Carome's question about the Sultan of Brunei—when I said some $10 million, I had already done some calculation about money and where we were and said that $8 million would give us a margin or bridge or we would have liked to have had in the $100 million program.

There had been ample discussion about solicitation of funds. As you know, it is a practice that we have used to augment other programs. We have briefed the committees on them fully, and it was a—something that Director Casey and I had talked about and had talked about in interagency group meetings.

We felt it was very important and I think Congressman Hamilton will recall getting the prohibition on solicitation off of us so we could go out and do those things and the Director came up with this opportunity, and I said, "right on, boss, we could maybe get that 5 or 6 million dollars, and that will allow me to buy two or three more airplanes and do some things and it will be a good thing."

So he did and that was the purpose for it. I might tell you that in managing the program we have not done some things that we would have done had we had that money, but we have cut and scrimped and put things together and done without it because after the Iran-Contra problem broke, I said politically it is just too sensitive to go out both in terms of other government reactions and Congress to solicit, so we haven't done it. But that was the intent and purpose of it.

Mr. STOKES. Would it have been your intention to brief the Intelligence Committees about this if it had gone through?

[*C/CATF*]. Yes. The Director and I discussed the law and I said that with the new law passed, we can do these things. I vaguely recall that we ran it past some of our lawyers, I think the officer of mine who actually did it, I was on a trip at the time, ran it past a lawyer. We had every intention to have accounted for it within the structure of the program and to report it to Congress, absolutely.

[Counsel conferring with witness.]

[*C/CATF*]. My attorney from the task force advises me during the negotiations of the administrative annex by which we account to Congress for the $100 million, which is a unique document, we discussed how we would handle solicited money. He recalls we actually may have even touched on the possibility of [deleted] money. I don't recall that specifically, but I do recall with your financial person who monitors the finance discussing how we would account for solicited money.

So it was our intention to be absolutely forthcoming.

Mr. STOKES. What amount were you asking for, do you recall?

[*C/CATF*]. We didn't have a specific figure in mind. We were just talking. They never got that far. It was exploratory, the intermediary was going to go to [deleted] and hold the discussions, come back and talk to us about it. I did not go to the meetings and the officer who went to the meeting and who actually conducted it didn't get into details of amounts.

I think you may have his memorandum. If you don't, I do, and he lays out what happened there. He did not actually get around to soliciting money or discussing amounts. He laid out needs and so on.

Mr. STOKES. Moving to another area, you have been Chief of the Central American Task Force since September 1984, is that correct?

[*C/CATF*]. That is correct.

Mr. STOKES. [Deleted].

[*C/CATF*]. [Deleted]. As the committee is aware, North was full of bombast. He met with a lot of people and did a lot of things, and I aways wondered how he could do them because he didn't speak to Spanish speakers. Look at the famous call to Arias, I was sure he didn't do that. There were other people that he said that he spoke with from time-to-time and I always wondered how a non-Spanish speaker got through to Spanish-speaking people only. [Deleted].

Mr. STOKES. I see the light is on. I have additional questions, but I will defer them until later on.

Chairman HAMILTON. I think we will have time to yield to the gentleman later on.

The chair recognizes Senator Boren for 20 minutes.

Mr. BOREN. Thank you very much, Mr. Chairman.

I want to thank Mr. DeWine for his courtesy in letting me proceed at this time.

[*C/CATF*], I think you know that I have a very high regard for your professional capabilities and for your service.

[*C/CATF*]. Thank you very much. I appreciate that.

Mr. BOREN. I know that you will understand that the questions that I ask are asked out of institutional responsibility and a sense of that responsibility and not out of any kind of ill-will towards you personally.

You learned, I gather, of Attorney General Meese's planned noon press conference at a meeting earlier that day?

[*C/CATF*]. I wouldn't call it a meeting. I was in the DDO's suite and it was mentioned to me that it was going to happen.

Mr. BOREN. And did you have any discussions with regard to what information you should disclose about this whole matter to persons outside the CIA between that time and the time of your testimony before the Senate Intelligence Committee on December 9th?

[*C/CATF*]. No.

Mr. BOREN. You did not?

[*C/CATF*]. I did not, sort of, no, sit down and talk about that.

Mr. BOREN. Did anyone come to you——

[*C/CATF*]. No, I can recall one conversation with Clair George where we talked about—I said sort of, I'm going to have to say I had a pretty good idea of what Ollie was up to, and sort of talked to him in a general context, but no direction or specific detailed discussion of how to——

Mr. BOREN. Did Mr. George or anyone else discuss with you what you should or should not say?

[*C/CATF*]. No. At that point in time, I think it is fair to say everybody was proceeding very, very cautiously, and being very judicious about their words and knew that questions like that were going to be asked.

Mr. BOREN. I understand.

Let me go into the question of your trip to [deleted] in February, 1987. When and how did you learn of the use of the CIA helicopters in [deleted] to carry Contra arms in early 1986?

[*C/CATF*]. I want to add a piece of information that is not on the record here anywhere, because I want to be absolutely straight up. When we made that trip, I heard a glimpse of a side conversation with—between the [deleted] and [deleted] and [deleted] said, "Hey, I want to fly some stuff over to the training site," and [deleted] said, "No, you can't do it." That triggered something in my ear but I didn't think there was a problem because the [deleted] shut him down right now.

Then on that trip, prior to that trip, [deleted], one of the private benefactors, saying that our [deleted] had allowed him to get a helicopter flying supplies. And the IG was about to come down there.

We had already sent cables down there; we had already sent cables asking for a comment on that report whenever there were allegations and we got back essentially a negative response.

I pulled [deleted] aside——

Mr. **Boren**. You had had that background before you went down, [deleted]—

[*C/CATF*]. Sent the people down and the inquiry came back essentially negative. I had a glimpse at [deleted] at [deleted]. It didn't really signify to me a problem. He said, "Hey, I want to do these things," and I said, "No."

Mr. **Boren**. That was on the same trip?

[*C/CATF*]. Yes. On these trips, I don't go show and tell; I sit back and talk to the [deleted] and [deleted] and other things that work.

I heard that conversation and it didn't mean anything to me at the time because [deleted] had given exactly the right answer; he had shut it down. Subsequently, after the investigations came down, I looked at it and said, that was the tip of the iceberg, but it didn't at the time. I pulled the [deleted] aside at [deleted] and said, "[Deleted] did you put somebody on the airplane; did you let these things happen?" His response was, "No, well, gee, someone may have gotten on the airplane, but I don't think they went to Nicaragua, I don't think they flew ammunition down there, no, I don't think so."

I said, "Sit down with [deleted] and get your story straight. When the IG comes, tell it to him like it is, because the worst thing you can do is not get it out up front." And I left.

And Clair George, in his meetings down there, delivered at each one of our stops along the way very strict instructions to tell people to get up front with the IG, tell it like it was, get it out and purge yourself of any concerns that you may have. I heard it in each place along the way.

So at that point in time, I knew that there was a compliance problem. I didn't think it was a big one. After the IG went down there, I subsequently learned that they had uncovered what looked like to some flights [deleted] based on inventory records they had seen, but they didn't think it was a serious problem. They said there are some things here, we think we can reconcile them, not too bad, it looks pretty good.

Mr. **Boren**. Let me stop you there. Did Clair George also have discussions with [deleted] or others about this while he was down there?

[*C/CATF*]. That is a point of controversy, and I think that Clair's memory and mine are different on this, and I've checked it and my memory, once again, is not 100-percent clear because I haven't talked about it for a while. I think he did. I think he said approximately the same thing to [deleted]. I can visualize it going up to [deleted] from [deleted]. I think our [deleted] recalls the same thing happening, but I'm not 100-percent sure. There is a difference of opinion on memory on that.

Mr. **Boren**. What did you or Clair tell the IG about this?

[*C/CATF*]. I told him exactly what I told you. I think Clair has said consistently he doesn't recall that conversation and that is—that is a reasonable thing. He probably doesn't.

Mr. **Boren**. We can ask him about that when he comes. All right.

When did you realize there was a serious problem with the helicopters?

[*C/CATF*]. April.

Mr. Boren. In April?

[*C/CATF*]. Actually, before April. Actually, there was another cable that came down [deleted] he claimed [deleted] actually flew with him in one of the airplanes and that was something [deleted] hadn't said, and I knew then there was a strong possibility [deleted] hadn't come clean.

We sent a cable out shortly thereafter asking, what are the facts of this? We got back a story that was an extension of what we had gotten the first time. I called [deleted] at home and said, "You're not in trouble yet, but you're an inch away from it. Go to the IG and tell all of it now or you will be in trouble." This was in April. He looked at me and said, "All, [*C/CATF*]?" I said, "All." And I said, "Don't tell me because I'm going to have to testify and I'm going to have to talk to the IG and I'm going to have to go to the grand jury, so I don't want to hear the baggage. You go do it," and my attorney at that point in time, the IG and everybody got into the act, the independent counsel and your committee and it all came falling out.

Mr. Boren. It was sort of unusual; you had [deleted] there and you had a [deleted].

[*C/CATF*]. Yes, we did.

Mr. Boren. Why was [deleted] assigned there?

[*C/CATF*]. Because we were looking for an individual who had political judgment, had been an FI in a foreign intelligence job and knew what intelligence was, but also had solid paramilitary background and was a Spanish speaker. You get to looking for those things, and it narrows down, there aren't many of them around.

[Deleted] was a highly qualified [deleted] officer who had a solid FI background, who had been [deleted] twice and seemed like the ideal choice to go there, so he was drafted out of a fairly senior position in our counterterrorism branch and assigned down there because of the combination of skills and language that he had.

Mr. Boren. Did it create any problems that you had the [deleted] there and you had the [deleted] in the same location in essence?

[*C/CATF*]. I don't know if you know [deleted]. His longest suit, and it is long, is getting along with people. People love him and he's got a soft touch with management, and there was never any friction there.

Mr. Boren. Turning to a little different situation, you were [deleted] at the time of the initial [deleted] contribution in 1984. Did you know anything about that?

[*C/CATF*]. I did not. [Deleted].

I had no reason to believe then nor do I have reason to believe now that that was part of the solicitation of money for the Nicaragan program. And never did I have any reason until it actually broke in the press at some time, whenever, in January that it was [deleted] money. I speculated on it, but I didn't know it.

Mr. Boren. What about in your testimony on December 9th, it has been touched on by Chairman Stokes, you testifed on December 9th, before the Senate Intelligence Committee. You mentioned the

Brunei contribution. You didn't mention Director Casey's solicitation of the [deleted] contribution in October-November of 1986.

[*C/CATF*]. No.

Mr. Boren. Why not?

[*C/CATF*]. It either didn't come to my mind or because it wasn't—it took place after the new program, after the new program, and it clicked off in my mind and I didn't bring it up—one of those two reasons. I don't recall the specific reason.

I might say, in that testimony, that I was trying to paint the broad strokes of what I understood and what happened, and I just didn't get into that. It didn't come to my mind. I don't think I was asked, either.

Mr. Boren. I think that it is a fair statement to say that the way the question was asked certainly could be interpreted in a way that it would not have jogged your thought about that matter.

You told the Senate Intelligence Committee on December 9th, that you didn't know where UNO was getting funds after the Boland Amendment cut off CIA funding, but later in your depositions you have indicated your knowledge that Colonel North was arranging funding for [deleted] and [deleted].

Why didn't you tell the committee that on December 9?

[*C/CATF*]. As I recall the testimony, what I said was I didn't know where the funds were coming from. That was a correct answer. I didn't know until this investigation began where the funds were coming from. I knew, and I think I said in that testimony that Colonel North was involved in influencing the events around those funds. If I didn't, I should have.

I haven't reread that testimony in preparation for this testimony. What I wanted to say was, I didn't know where the funds were coming from, because I didn't know who was the donor and at that point in time, December 9, I still thought that Ollie was causing things to happen, not doing things.

Mr. Boren. You didn't ever really tell us, however, that you knew he was in the business of getting money to keep these people in operation?

[*C/CATF*]. I would have to reread the testimony. It's here, I will have to look at it. I haven't read it, but I will accept your characterization of it.

Mr. Boren. At the hearing you were asked if you knew of any U.S. person who had assisted the Contras outside of the legally authorized program, and you did not disclose your knowledge of the role of Mr. Rodriguez or of Richard Gadd, which is clear from later testimony you knew about Rodriguez and Mr. Gadd——

[*C/CATF*]. I can't figure why.

Ms. McGinn. Could you refer us to the page of that transcript please?

Mr. Boren. Yes. It's page 29.

"The question: Despite the instruction to inquire as to the source of private funding, are you aware of any individual U.S. person, government or private, who is providing assistance to the Contras?"

"Answer: I assume by that you mean providing assistance outside the framework of existing law? "

"Question: That is correct."

"No, with the one exception that is currently being reviewed right now in the Agency. That would have been the [Castillo] matter."

And then in your depositions, you indicated that you had talked to Rodriguez about [deleted], that you attended a meeting in Don Gregg's office when you discussed CIA's negative attitude toward Rodriguez, that you had a confrontation with Rodriguez and also that you had other discussions later about Gadd's operations. So when you were asked about private persons, you didn't mention Rodriguez or Gadd?

[*C/CATF*]. I can't figure out why I wouldn't have mentioned Rodriguez. It was no secret what Rodriguez was doing. We talked about Rodriguez in questions and answers before the Senate Foreign Relations and House Intelligence Committee. I don't know why I didn't mention Rodriguez at that time.

As for Gadd, it either didn't come to my mind or I didn't think it was outside the framework of existing law. That may be why I asked for clarification of that question. I am going to be very, very up-front with you, at that point in time I was walking on egg shells. I was walking a line once again as a member of a team, the story, it was a very tense sort of moment in time. I was one of the first ones off the block, I was exposed, I was nervous, and I was not going to perjure myself. I was going to paint the broad strokes, and I was carrying forward still in the same frame of mind that I laid out beforehand.

I would answer the questions, I would not perjure myself and give you the broad outlines that I could fill in with the extent of my knowledge later as necessary.

Mr. BOREN. Well, also at that hearing you were asked whether Lt. Col. North had a role in making the arrangements for humanitarian air delivery operations that also carried lethal supplies. We got into later discussion of the 10-percent rule and so on, you said no.

[*C/CATF*]. He didn't know that. That was done—that was all done by Ambassador Duemling. North, and technically speaking, North didn't have a role in doing that.

Mr. BOREN. Didn't North arrange for Mr. Gadd to be involved in those deliveries?

[*C/CATF*]. North lobbied for Mr. Gadd. North, I would say, influenced the decision of Mr. Gadd. But the final decision was made by Ambassador Duemling, so once again, technically he didn't have a role in the management for that. The technical decisions and final decisions were made by somebody else. He was a member of the RIG and a member of influencing it, but I was giving a very technical answer.

What was in my mind at that point in time, that was NHAO and the State Department that did that.

Mr. BOREN. I believe Duemling complained to you in March of 1986, however, that Gadd's flights were shipping some lethal aid, and you asked Duemling to use Gadd for just two more flights, and that would be enough.

[*C/CATF*]. I can recall a whole series of conversations about Duemling and Gadd and those problems and so on and so forth. First off, there were discussions with the committees about whether or not the NHAO flights—let's be very specific, we are talking about flights from [deleted] to [deleted] in these discussions, and I was not at the discussions, but there were early discussions in August about what was and wasn't permissible on the NHAO legislation. I was there.

There were later discussions which Ambassador Duemling and Jim Michaels had with the House Intelligence Committee about what and what was not authorized. Somewhere out of those there came an understanding that portion loads, or the infamous 10-percent rule, could be laid out. And so it was known and understood and discussed in some detail at these various RIG meetings that a small remainder on those flights, up to 10-percent arbitrarily in some cases, came in there, people could carry lethal material. That was very controversial.

I think, Chairman Hamilton, they ultimately came back to the Intelligence Committees, discussed it again, and you advised him it wouldn't be very smart to do that. Elliott Abrams then stopped it. It went away, and we were sort of a party, the Agency, and our overseers were a party to make sure that went away.

As to two more flights, Gadd had told me and had told [deleted] he had laid out a lot of money to open up the [deleted] operation, so on and so forth, was out of pocket and didn't have money. What I told Ambassador Duemling, in two more flights he would be able to recoup his loss, why don't you go two more flights and get rid of the guy? I think it was an attempt to be charitable to allow the guy a chance to make the money that he told us he had laid out. He was maybe obviously blowing smoke up my ear, but that is what he said and that's why I said that to Duemling.

Mr. Boren. Let me ask you to turn to page 33 of your testimony before the Senate Intelligence Committee. I will conclude, Mr. Chairman, very quickly. I have two questions on this matter.

You were asked specifically about activities by Colonel North to support the Contras, and you said yesterday when North bragged at the RIG meeting about, in January of 1986, about his activities with the [deleted] airstrip, that that was a neon light about North's role. So that made an impression on you.

Yet when you were before the committee, you were asked, would you agree or disagree with the statement it was common knowledge in the Agency, those associated with him, Colonel North was involved in finding ways to provide appropriate assistance? You, in essence, said it was pretty widely understood.

"Question: Can you provide for the committee any specifics about Colonel North's activities, can you be more specific?"

There was a hesitation. Are you aware—you said, well—"Question: Are you aware of any activities by Colonel North specifically directed to raising funds for the Contras or arranging for provisions of supplies to the Contras? "

"No, not of any specific direction or any specific activities that he undertook."

And yet clearly you knew about the airstrip, you had discussed it at the RIG. You said that is a neon light that went on about the scope of his activities, and yet you didn't share that with the committee at that time.

[*C/CATF*]. I think that my answer there is I will go back to my initial statement to the 14 October testimony which was also cutting some very tight corners, they asked me if I was aware of specific activities that he was involved in, and my answer obviously turned around the word "involved." I know that he knew about them, I knew he was quarterbacking them, and what I was saying there was I did not know the depth of his involvement and if he was specifically funding them.

I was being frankly technically correct, specifically evasive.

Mr. Boren. Technically correct, but specifically evasive.

[*C/CATF*]. That is my answer.

Mr. Boren. So you understand, in reflecting upon this, it had the effect of not steering the committee in the right direction, that it did not give a complete and accurate impression to the committee?

[*C/CATF*]. It did not give a complete and accurate answer. It was not as fulsome as it should have been. It was specifically an effort on my part to answer the question technically right, not perjure myself and not move outside the team work.

Mr. Boren. How much did you tell Clair George about such things as North bragging at the RIG meeting, these kinds of things about North's activities and your suspicions about North's activities?

[*C/CATF*]. I don't know I told him specifics. I kept him briefed on the broad strokes of the private benefactors and what were happening and that Ollie was in and around causing these things to go down.

Mr. Boren. Do you know if you ever told him about Ollie's involvement, what Ollie had said about his involvement in the airstrip?

[*C/CATF*]. I don't think I did. I may have mentioned the airstrip to him, I just don't recall whether I mentioned it to him or not.

Mr. Boren. Let me say one thing, in conclusion. You were saying to Chairman Stokes, as he asked you, I think, a very interesting and probing question about what was going through your mind as you were preparing your testimony and as you were dodging, as you say, being specifically evasive, as you put it, to the House Committee and obviously——

[*C/CATF*]. The House Committee was different. I was in a less vulnerable position, I was passive.

Mr. Boren. Before the Senate Committee, you were called upon specifically about this inquiry under oath, and you were evading. And you indicated you felt you were part of the team and a part of the administration. I think one of the things that has disturbed us all in these hearings is we have sat here, and we have thought aren't we all part of the same, don't we all work for the same people, don't we all work for the same cause broadly, and when you think of the role of the committees, I see the role of our committee as not only in a positive sense an opportunity for consultation, of being a sounding board, to talk confidentially about things being thought about or undertaken so we get the benefit of how will Congress react, if all Members of Congress knew about this, how would they feel about it, we can steer away from shoals and mistakes, but also as a protection for the Agency.

This Agency is here to serve the entire government, not just any one particular administration. We have heard a lot of discussions about the dangers of cooking intelligence to provide the administration with the ammunition to support—any administration, Democratic or Republican. The job of the Agency should be to provide objective intelligence to the decisionmakers, it shouldn't be to buttress decisions made by any administration of either party and it has here something of an independent objective role. Its objectivity must be protected.

The Agency can be abused by administrations and be put in uncomfortable positions no administration should ask this Agency to do, and frankly it concerns me that you wouldn't regard us on the oversight committees as part of the team, not only as part of the team of serving the public, but also as having some interest in preserving and in protecting the Agency. In other words, if there had been total candor with our committees, people in the Agency that might have been pushed into gray areas, where they were caused concern themselves, how do I react to this request, should I do it? I hate to be in this situation, I hate to turn these people down. If there was a knowledge the oversight committees would have notice of these kinds of activities, I think very often they could serve as a buffer and protector to the independence and integrity of the Agency and professionals like yourselves in the Agency from being put into untenable positions.

I wonder if upon reflecting upon all this experience, as you look back, and no one here would say they have not made mistakes themselves, we can all learn from this. As we look ahead, have we learned anything about that, and have we learned anything about the value, the integrity of the whole process if the Agency did not view itself as not just part of the administration team, but part of a broader team, which also includes oversight committees in this operation?

[*C/CATF*]. The answer to your question is the current Nicaraguan program. There is not a thing that happens there we don't talk to the committees about, a major thing. The bi-weekly meetings that we have, the staff briefs that we have I think show complete team work on our part, and I think that it's a classic example of the way things can be done. I think that it's been tremendously constructive. Some of the comments that have come out of there have significantly improved the operation.

And I think it is absolutely the case, and I think your comments are the underlying theme I tried to get across in my opening comments that I have tried to weave throughout my testimony, and I would hope, as I said before, that there is never a civil servant, never a career CIA officer, who find himself in the position I found myself in 9 December 1986. It was horrid. You can't begin to imagine sort of how I felt going into that, coming out of that, and throughout all that period. I want to point out, since we are having a fairly soul searching conversation here, there are two areas in this that I am bitter about, two points of bitterness: One was with the Congress for putting me here, and——

Mr. **Boren**. Well——

[*C/CATF*]. Please let me finish. And, two, because, as I pointed out, I tried, I tried in the summer of 1985, with the humanitarian assistance, I tried with the Intelligence Authorization Act to get from out under the bite. I tried as hard as any mid-level CIA officer could. There is no CIA officer at my level in history that has been as active with Congress. It wasn't because I am egocentric, it is not that I love to go out there and be in the limelight. It is because I wanted to get the hell out of the bind I was in. I wanted to get this thing fixed. I wanted to do what I thought was right in Central America, and I made a major effort at it.

The other area—and I couldn't do it, and I was slapped, and I harbor some anger about it. I don't mean that to be a pejorative comment. The other area is with the administration for hanging us out. They should have stood up in November and laid it out. I knew it in November. I knew it in December. I think that those of you who know me know when I have a problem I can't deal with, I will get it out and try to get ahead of it. The only way you can deal with a problem is get up front and cauterize it.

It didn't happen. Why it didn't happen, I don't know. I wasn't there, I couldn't influence it.

Mr. Boren. And that put you in the position in your December 9 testimony——

[*C/CATF*]. It put me in a more untenable position December 9 and that has continued until this committee started its work. I thought I was just in a terribly untenable position. I put myself there by dint of the fact I said I'll take all the responsibility on me, I'll shield other people. In my meetings with the task force I have been able to say don't worry guys, you are not in trouble, you are OK. None of this is going to touch you, you keep on executing, you do your work. And I said I'm OK, too.

I thought I was, I still think I am, but I was in a hell of a bind. I hope no one is in the position I am in again.

Mr. Boren. I appreciate the candor with which you have spoken. We can certainly understand the frustration and agony you have been through in this situation and let me say, I hear what you said and not in an unsympathetic way in many means. I have sympathy for the situation in which you found yourself. As I've already indicated, I have a lot of respect for you. From this let me—and I don't want to take any more time but let me say: Do you think now—one of the things I think we can be in the intelligence committees is, and what we would like to be, if you have any thoughts on how this can be done more effectively. Mid-level professional persons like you should not have been put in the position in which you found yourself and there should be some way in which the very existence of the oversight committees, if we can—and we are working hard to build this relationship of trust. We are well on the way as you have indicated in your testimony. You have very sensitive things to share with both committees; they have not leaked, there has been a great confidence kept. You mentioned one this morning. There are a lot of others we needn't broadcast further by talking about them.

[*C/CATF*]. Absolutely.

Mr. Boren. Can we also, is there a way to be even more effective in this oversight process in terms of the fact that we exist and the fact there has to be a responsibility to report to us and particularly if this relationship of trust exists for the committees themselves to, in essence, be protectors of professionals in the Agency so that they will not be put in positions which they themselves either feel are compromising their own professional integrity or on the borderline of doing so.

[*C/CATF*]. I think it is certainly—there has to be a way. I don't know what that way is. There has to be a way for the oversight committees to play that kind of a function, for the oversight committees to be a part of the process and for Congress to be a part of the process, and yet not get into, and get the administration to execute its constitutional prerogatives and rights. I think that if anything grows out of these Iran-Contra hearings it should be that.

Mr. **Boren**. If you had said I'm sorry to people—I'm sorry but I have to tell this to the oversight committee, wouldn't that have been the brakes on them telling you to go ahead and do it?

[*C/CATF*]. It would have put the brakes on it, and it is something that I could have done I suppose. I could have said, I want to make it very clear no one forced me to do what I did, no one said [*C/CATF*], do this or [*C/CATF*], do that, not Director Casey, not Clair George, not John McMahon, they all had confidence in me that I could navigate through these troubled waters and come out the other side unscathed.

I gave it one hell of a time. It is up to you gentlemen to decide whether I did that or not. Let me just take a minute. As you know, I received a $20,000 bonus for my performance in 1986. I was considered the meritorious officer of the DEO. It has been in the newspapers in kind of a pejorative sense. That was not done by the Director as a bribe. I was selected by the committee of the peers and seniors I think in recognition of doing what was a very difficult job. For 3 months I didn't cash that check, I kept it in my drawer. Because I said I've got to wait until I get through this process to see if I really did it or not. Finally I did, some others persevered and said, that's dumb, don't do that, you're losing a lot of interest and a lot of other things. I really believe that.

If I got through the process, made the right decisions—now clearly I didn't make them all, I don't think in my position there were any real 100-percent right decisions. They were decisions that limited damage, they were decisions that kept me serving the administration as much as I could and staying within the technical bounds of the law.

As I said, I let myself get out a little bit further ahead than I should have in February, in January and February. I pulled myself back. I found myself in one hell of a position indeed. And really it continued almost until today.

Chairman **Hamilton**. The chair will state that we will conclude after Senator Cohen's 20 minutes. Senator Cohen is recognized.

Mr. **Cohen**. Could I inquire whether the chairman will extend the same 20-minute 40-minute timeframe?

Mr. **Boren**. No.

Chairman **Hamilton**. The chair was not aware anyone had recognized that. Senator Cohen is recognized for a flexible 20 minutes.

Mr. **Cohen**. I'll try to conclude within the time alloted.

I think all of us recognize the kind of service that you have given to the Agency in the fact you received this award and were held in high regards by your peers. I'm not so concerned about your activities with the task force as I am about your performance before the committees themselves. That's where I would like to focus and followup on the line Senator Boren just finished with.

I am familiar with and rather fond of a novel in which a fictional character leaves the Capitol after testifying before the Senate Intelligence Committee and says there are two rules he has dealing with Congress. The first rule is if you don't ask the right question, you don't get the right answer. The second rule is if you ask the right question you get half the right answer. And it seems to me we have been witnessing that in this particular affair, even outrunning Fixx in this case. I recall seeing a few weeks ago a replay of an old movie, the "Absence of Malice," maybe the only memorable line in the movie, the actor says it's accurate, meaning the story, but it is not the truth. I keep coming back to the testimony you and others have given, it may be technically accurate but it was not the truth, and I believe that half a truth is also half a lie as far as I'm concerned. When you tell only part of the truth in order to conceal the other part you are in fact engaging in a misleading of the people you are talking to. I was, I must tell you, rather disturbed to hear some of your testimony this morning and you indicated you're part of the A Team and you're, you are one of the ones who is highly regarded by the administration, by the Agency, by us. You are part of the A Team as such. But it was disturbing to hear you say that you weren't going to be the first one to step up and break through that sort of invisible bond that we used to have, I think Arthur Liman is old enough to recall this—in the medical malpractice cases they used to call it the conspiracy of silence. That seems to me what took place here.

It was a conspiracy of silence, of CIA witnesses who came before the committees and each had this silent vow not to be the first one to step forward. I just want to say you do work for the Agency, you do outstanding work for the Agency, but you also work for the U.S. Government, the entire government. When you are called to testify I think your obligation runs to something broader and higher than just the Agency. It runs to the entire government. That's personal view on my part.

Now, on tab 9 in your book, to give you an example. I'm not going to spend a good deal of time, but I wanted to make it for the record clear what I'm talking about so that others who come before the committee don't repeat this sort of testimony. Tab 9, you were asked, Elliott Abrams rather was asked, can anyone assure us that the U.S. Government was not involved? Elliott Abrams said, no. I'm sorry, it's tab 39. Your tab 39. Elliott Abrams said no, and you remained silent. I think you indicated today that you were grateful that you had not been asked. And the question I have is, and you also said today you were not the senior witness at the table. Who was the senior witness at the table?

[*C/CATF*]. I would say, I would have to refer to the protocol range but I would say Clair George was in overall range the senior man, Elliott Abrams next and me next.

Mr. COHEN. Was the implication they had as much knowledge as you had and therefore since they didn't step forward you didn't feel that you should be the first to step forward, being the junior member of that team?

[*C/CATF*]. No. I don't know what Elliott did or did not know and I'm not going to speculate on that. He has testified in front of the committee and it is for him and for you to judge.

Mr. COHEN. See the problem I have is that you have indicated that you were not going to be the first to step forward. Elliott Abrams said he didn't know. Clair George said he didn't know, and that leaves you.

[*C/CATF*]. I understand what you are saying. Let me finish the question—let me finish the answer.

Clair had the broad strokes, he knew that Ollie had been around and was involved, he didn't know as much detail of the involvement as I did. That's why he structured his answer like he did. Frankly when that was said, my mind was racing, I was figuring how is Elliott getting from A to B. And he must have it worked out in his own mind so that that statement is technically correct or is correct. And I sat and was silent. I walked out of that—there is no excuse for it.

Mr. COHEN. No, but the implication was you weren't going to be the one to break the silence since you were the junior member and according to the testimony we have received, you were the only one of the three that had the information that would have contradicted what Elliott Abrams was saying, so we are left with not just the three of you all walking lockstep.

[*C/CATF*]. I see. I understand where you are going.

Mr. COHEN. That's where we are left.

[*C/CATF*]. You are putting me in the position of saying you were the one with the——

Mr. COHEN. The knowledge?

[*C/CATF*]. I had the most detailed knowledge.

Mr. COHEN. And they had the—they were the ones with the seniority.

[*C/CATF*]. And whether or not—I don't know what Elliott Abrams knew, I really don't want to comment on that.

Mr. COHEN. All right. Let me go on to another issue then because I think that you were asked on another situation, I think it was page—page 54 of the transcript of our hearings, said, "To your knowledge, [*C/CATF*], did Robert Owen, Colonel North or any NSC official in Colonel North's office have anything to do with making the arrangements for the flights you described into [deleted], in other words identifying the carriers that would have been used or sub-carriers?

"Answer: I don't have any knowledge about that." And then you indicated I think in your deposition if the question was who ran the operation, it would have been different. If we had asked you who ran the operation, we might have gotten a different response.

[*C/CATF*]. I think one thing we are going to go over and over and over this because it is replete throughout this, and your point is well taken. I think you understand my point. The answer was Robert Owens, I don't think to this day he arranged flights. Oliver North I don't think arranged flights in a specific sense. And I don't know and didn't know at that point in time all the details. There were major gaps in my knowledge and they were there purposefully and I couldn't piece them together. Now my knowledge is a lot greater today than it was then. I've read a lot of material and I want to be very, very up front on this. Those gaps were there because I kept them there.

Mr. COHEN. Let me come back to what you said this morning because I'm not sure that I have been satisfied about the attitude having been rectified. I think you indicated to counsel this morning, you said, if you had been asked you would have found a way to avoid answering it without lying. And that to me is almost tantamount to saying I ate the Frusen Glädjé and I would do it again.

[*C/CATF*]. No.

Mr. COHEN. It is not the same?

[*C/CATF*]. It is not true.

Mr. COHEN. You said this morning if I had been asked I would have found a way to answer without lying.

[*C/CATF*]. You put me back in October 1984.

Mr. COHEN. I'm putting you back this morning.

[*C/CATF*]. This morning. Now, that question was going back to if it had been asked on 14 October of 1986, how would you have answered it. It was a hypothetical situation, I gave you an answer that I thought may be what I would have done at the time. I could have also given you an answer gee, I don't know. That's speculative. Now that would have been—what I gave you was an honest answer. What I'm telling you, and I want to make a point here. I would hope you would accept it. I want to make this point very clearly, and I think I'm going to point the mike to Dick Giza and people on the Intelligence Committees. In testimony that didn't involve this thing, being caught in this nutcracker, I am very up front. I'm criticized in the Agency for being too up front with Congress, for writing answers too long, for being too forthcoming, for sharing too much—or I was. Attitudes are moving around a little bit but at one point in time early on.

Now I believe in that, I was. Let me put it very clearly. That was back about a year-and-a-half ago when I was criticized. When I said no, we are going to share information with Congress. We are going to get our answers up front because we have to build a consensus on this program.

Now, in one area, one time when I was in this tremendous bind and was walking on nutshells, or on eggshells, yes, I did that. Would I do it again? Look to what I'm doing now. Look to the way I deal with the committees today in managing a very sensitive and equally controversial program and boy, it's all out there and that's the way it's got to be.

Mr. COHEN. I don't question that. I just want to make it very clear that I don't want to be put in that position again of having three witnesses at a table and one member of an intelligence committee ask a member who is sitting in a panel and have to go through and have everyone give the same answer for fear we didn't ask the right question before the right person.

I want to draw your attention to your deposition just to make sure that we are getting the full story and not just the broad brush. On page——

[*C/CATF*]. One——

Mr. COHEN. This is your deposition before the committee.

[*C/CATF*]. Which committee?

Mr. COHEN. This committee. I will get you the exact page. I will read it. You are being questioned about the NHAO channels and Ambassador Duemling and Project Hope and question: Under the reference to Project Hope—and that I believe is a reference to the notes of Ambassador Duemling, which is contained in [*C/CATF*] 15 on page 2 of those handwritten notes, you were asked a question. It says, "airstrip being prepared," in quotes. And the questioner, I believe Mr. Barbadoro, "you would agree with me that this appears to be a reference to the [deleted] airstrip in [deleted]." Answer: "It could be. It is not an unreasonable assumption." Question: "What else could it be?" Answer: "I don't know what else it could be." Then it goes on to the next page, "Can you think of any other explanation other than this airstrip [deleted] under the construction as being referred to here?" Answer: "No. I could but none of them make any sense. It could be anything." It seemed again that you were unwilling to say, of course that was the airstrip.

[*C/CATF*]. I testified—it must be the airstrip. I told you I can conjure up a thousand and one images. I don't remember that. I think that maybe my testimony yesterday and today should establish some credibility. I am laying out what I remember in very clear terms. I don't remember a previous conversation of that. I can conjure up things, but I'm not sure they are accurate and I don't want to lie. I do not want to give you something that is not true. That's what that appears. It probably was discussed there, I don't remember and I can't figure out why it is discussed there at that time and it just doesnt' make sense to me, but it could have been discussed there and it appears it was.

Mr. COHEN. Senator Boren asked you about the time you were [deleted], and in 1984 you were shifted to the Central American Task Force.

[*C/CATF*]. Yes.

Mr. COHEN. 1984 is the time that McFarlane went to [deleted] and 1984 is the time that money started flowing from [deleted] to the Contras. I would like to go to your book, exhibit no. 1, page 2, which is a memo from, I believe it is Oliver North to Bud McFarlane, and I am not questioning whether or not you had any specific knowledge that [deleted] money is flowing to the Contras, but let me refer you to the bottom part of that page. It says, "first shared my assessment that quite the opposite was true, in other words, State Department said that the Contras are on the way out, can't hold themselves together" and then it says "[*C/CATF*] shared my assessment that quite the opposite was true, that the Resistance obviously had considerable outside support. I asked [*C/CATF*] if he was aware of the source of the Resistance funding. He told me no, the CIA had been trying to determine this but that it was obviously substantial. I told [*C/CATF*] that it was important that SNIE reflected the fact that there was substantial outside support which had continued for some months and showed no sign of abating. [*C/CATF*] agreed that this was the case. I asked him if the dollar amounts could be quantified. [*C/CATF*] responded they were spending about a million per month. I told [*C/CATF*] it seemed to me that should include this estimate." What is troubling about this particular item is, number one, we have you and others, including the Director, who say they have no knowledge of where the money is coming from even though you know a million dollars a month is being spent. You suspect but don't really know whether it is [*C/CATF*] or somebody else making the contribution, but you have suspicions. Then you have Lt. Col. North suggesting that the SNIE ought to include the fact that these fellows are really getting a lot of money coming through and that they are holding together pretty well. It strikes me that here you have a case where you are in fact indirectly affecting the intelligence analysis without knowing or deciding not to know what the basis of that intelligence is.

[*C/CATF*]. At this point in time, I am in the task for 3 weeks. I am like that cat running around in the dryer trying to figure out where I am. I am in a big-league game and I am still a minor-league player.

Mr. COHEN. But you were being manipulated at that point?

[*C/CATF*]. No doubt, and it was as I moved along that I began to understand that. That was an honest intelligence assessment of what I was seeing going down, and I was talking to a person—at that time I didn't know who Oliver North was and what he was up to, I had no idea. I was sharing my thoughts with him and he was saying that and it seemed to be a reasonable thing and we were disseminating intelligence at that point in time that would lead you to that conclusion. This is not cooking intelligence because they were paying bills, feeding, doing things, things that looked like they should be happening, weren't happening.

Mr. COHEN. But look what is being done in this process. You have Lt. Col. North, members of the administration going to [deleted] getting a million dollars a month [deleted]. Then the intelligence community doesn't know where it is coming from—I think you indicated the Cayman Islands and you said you traced it back to private donors beyond that. I think you told the Intelligence Committee as far as you got was the Cayman Islands.

"Answer: Yes.

Question: Did you have the intelligence community coming before the Intelligence Committee saying we don't know where the money is coming from, but it is out there coming and the Sandinistas are in good shape?" You have one agency being pitted against the other in terms of having no knowledge, and then coming out with an intelligence report saying there is substantial outside support when in fact it is coming from one country that we have gone to.

[*C/CATF*]. We didn't know that. That is why when you come down to it, the headline in the *Post* 2 days ago that the committee didn't crack the case was wrong. That is it. You touched on cooking intelligence and that is something that I know Secretary Shultz commented and testified on, and I want to make it very, very, very clear that in the 20 years of my career, I have never cooked intelligence. I wouldn't cook intelligence. I will tell you why. I am not an analyst, I am an operations officer. If I cook intelligence, then my operations will fail. I consider myself to be a better analyst than most analysts because if I am not I can't run good operations. I wouldn't cook intelligence with you or anybody else. One of my greatest problems was trying to figure out sort of as I understood this money was coming in, I didn't know where it was coming from, to make sure that it was reflected accurately in the intelligence and get it reported and get it out and to figure out where it was coming from.

After awhile we concluded it was coming from the United States and just left it at that.

[Deleted].

Mr. COHEN. I think you indicated you met General Secord in 1979 and 1980. At that point Secord was with ISA, he wanted to sell Iranians a [deleted] aircraft, was that the AWACs?

[*C/CATF*]. No. [Deleted].

Mr. COHEN. In any event, you thought it was a stupid idea and apparently Secord didn't like you from that point on.

[*C/CATF*]. I didn't meet him. We talked on the telephone. They were very blunt conversations and there has never been much love lost from that point forward; that is correct.

Mr. COHEN. Between 1981 and 1982, of course, we did sell the AWACs to the Saudis, General Secord and Colonel North were the point men on that for the administration.

[*C/CATF*]. I didn't know Colonel North was—AWACs is different [deleted].

Mr. COHEN. I am just talking about the visibility of General Secord because Mr. Clarridge yesterday indicated he had never heard of Secord before 1986. Is Secord the type of name that would ever surface on his particular screen as such?

What was the attitude in the Agency with respect to Mr. Secord, because the Wilson case certainly caught the attention of a lot of people at the Agency, including yourself, I assume.

[*C/CATF*]. Yes.

Mr. COHEN. General Secord was, in fact, implicated in that even though he was acquitted as such in terms of whether he was part of the operation, so the name Secord would flash on the screens of those at the Agency who were aware of the teaching of Mr. Wilson?

[*C/CATF*]. It might be regional, but certainly if you [deleted] were at all astute, you knew about it, yes.

Mr. COHEN. If you read the daily newspapers, you would be aware of that. The Agency is coming under attack that one of its former agents is a traitor.

[*C/CATF*]. Yes.

Mr. COHEN. Ed Wilson, and how about Mr. Shackley, Ted Shackley, Tom Clines, Quintero, are you familiar with these names?

[*C/CATF*]. I am now. I was not familiar with Quintero until April of this year.

Mr. COHEN. How about Erich Von Marbod?

[*C/CATF*]. At some point I became aware of Quintero but I don't know when and where in time.

Mr. COHEN. At the time you were helping facilitate some of this activity in Central America you were not aware of Shackley, Clines, Quintero, and Secord being involved?

[*C/CATF*]. Shackley, no, Clines, I have already testified when I saw Clines' name and what I did about that. Secord I think I have testified clearly when I saw Secord begin to come around. The first time I recall Quintero—I didn't know who he was in October, but I went back and looked at the traffic and his name was around, but I had to figure out who he was. You go back to my testimony in the cable where I said we may be bad, my call about Clines and my testimony about I didn't like what I felt out there when I saw it and my historic background led me to think there were unsavories around.

Mr. COHEN. We know that Secord complained to Mr. Casey about you. Did you ever complain to Casey about General Secord and the other "unsavory characters" that started to surface during the course of this? Why didn't you complain to Casey about what was going on?

[*C/CATF*]. I did complain about Singlaub and what he was doing.

Mr. COHEN. As far as Pastora was concerned?

[*C/CATF*]. Just his activities. He was very pushy. And I complained about what he was doing. I just did not bring these things up to Director Casey. He didn't discuss them with me nor I with him.

Mr. COHEN. Were you aware of any relationship between Director Casey and Oliver North?

[*C/CATF*]. I knew they were close and talked a lot. I knew the depth of that from some time in December 1984 in a particular incident I can go into with the committees. I knew they were close and that they talked a lot. But I did not know the substance of their conversations.

Mr. COHEN. I would like to come back to that. I think it is hard to imagine a team of you, Elliott Abrams, and Oliver North, almost like the Three Musketeers who were carrying on this operation, not talking to each other about the Contra operation but I would say the evidence that I have looked at contradicts that, that the fact is you didn't talk much amongst yourselves, if I look at some of the documentation. Even though that strikes me as being not credible on the surface, in looking at the documents I find some considerable evidence to support your position. Eden Pastora is one that comes to mind because I looked through your deposition [deleted], who you believe bid about his troops. You also believe [deleted], that everyone around him was involved in cocaine, and you wanted to "marginalize him" and I find it almost totally inconsistent.

We have had Abrams testify that he tried to get him back in.

[*C/CATF*]. We fought a lot about that.

Mr. COHEN. That lends credibility to what you have been saying as far as not coordinating some of your activities.

[*C/CATF*]. Let me point out the hearings of Senator Kerry's subcommittee and Congressman Rangel's committee and what you have heard from [deleted] subsequently bore out the fact that there was a lot of rot around Pastora and it was right not to deal with him.

Mr. COHEN. I will conclude. I was impressed—you made a plea to Congress not to cut the Agency out when you came before the Congress. Part of the difficulty is that the fact is the Agency wasn't trusted to stay out of operations. I think that is—what accounted for the fact they went to State Department on the humanitarian aid is that we are not going to trust CIA to stay out of operations. We didn't talk much about it here today, but the 10-percent rule apparently at one time went up to a 50-percent rule.

[*C/CATF*]. And we stopped that.

Mr. COHEN. That is right, but it got started with a 10-percent rule that I was never aware of. Apparently you made reference to it before the House, but during the Senate testimony you never referred to the 10-percent rule. But I want to say to you, if Congress is satisfied that it is being told the truth and the whole truth, then the distrust of the Agency will evaporate and that is what has to happen.

Senator Boren is saying we have to go back and reestablish this bond of trust. I don't want to be in the position of wondering did I ask [*C/CATF*] the right question? Did I phrase it specifically? Is there anything that I haven't asked that should have been asked? Have I been artful, a good attorney—and I take pride in the fact of being an attorney—have I been a good one? Made sure I have squeezed every possible question, every point to it's logical conclusion? I don't want that. If that has to happen, there are Members on our Intelligence Committee who would want to put every Agency witness under oath. I am opposed to that. I think we will get less information rather than more if we do that, but that is what has happened as a result of this, and it has got to be stopped.

[*C/CATF*]. That is exactly what I have tried to do in this new program and in the past the one aberration is this. I think the record speaks for itself, and I will stand on what I have done, everything except some testimony related to this, and I think I meet those criteria and if I am allowed to continue as a professional intelligence officer, then I will continue to do that.

Mr. COHEN. Thank you very much, Mr. Chairman.

Chairman HAMILTON. The chair wants to remind everyone that this is an executive session. We have had a lot of very sensitive information this morning. There are a lot of people in this room. The rules of both committees require that we not talk about it outside this chamber. Since we ran over quite a ways, we will reassemble at 2:15 and begin at that point with Mr. DeWine, and I appreciate Mr. DeWine, yielding his turn.

The committees stand in recess.

[Whereupon, at 12:50, the Select Committees were recessed, to reconvene at 2:15 p.m., the same day.]

### AFTERNOON SESSION

The Select Committees met, pursuant to recess, at 2:15 p.m., in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the House Select Committee) and Hon. Daniel K. Inouye (chairman of the Senate Select Committee) presiding.

Chairman HAMILTON. The hearings will come to order.

We will begin with questions by Mr. DeWine. He is recognized for 20 minutes.

Mr. DEWINE. You were the point man for the Contra aid program. Since the Contras have been receiving a hundred million from the United States, we have seen conflicting reports in the press regarding how they are doing, success and lack of success.

I wonder if you can give me and the committee a current assessment based upon your own knowledge of the situation in regard to the Contras.

[*C/CATF*]. Yes. I can. I could tell you that the Resistance forces on the ground in Nicaragua today are doing better than we would have expected they would. We think they are placing stress on the Sandinistas.

They have the majority of their fighting forces in country, numbering [deleted] people.

Mr. DEWINE. [Deleted]?

[*C/CATF*]. [Deleted]. in country. [Deleted] in country. Fighting over large portions of [deleted] Nicaragua. [Deleted] the Resistance forces clearly have the initiative in terms of forcing the Sandinistas to react to what they are doing and that the Sandinistas don't like one bit what has been done.

[Deleted].

I want to add our analysts don't think the strategic balance has shifted in favor of the Resistance forces. They enjoy the strategic advantage.

The tactical advantage is with the Resistance forces today.

Mr. DEWINE. Are you getting any information back concerning the—the question is more on the political as far as internal support for the Contras inside Nicaragua.

[*C/CATF*]. We are getting information on that. [Deleted].

What we see, however, in greater clarity is the fact increasingly the population of Nicaragua is unhappy with the Sandinistas. Most increasingly angry at the 1500-percent rate of inflation working there. The Sandinistas are becoming disenchanted.

However, those people are tending to sit on the fence right now waiting to figure out which way the wind is going to blow. [Deleted].

Mr. DEWINE. You talk about [deleted] in country. From an historical perspective, how does that compare with the number of people a year before?

[*C/CATF*]. It is the highest ever.

Mr. DEWINE. Highest ever?

[*C/CATF*]. Ever. A year ago this time there were [deleted] or so in the country. It is well over doubled. [Deleted].

Mr. DEWINE. Besides the high inflation that you have mentioned, what else, what information are you getting back about the internal economy?

[*C/CATF*]. The internal economy is in absolute shambles. It has been badly mismanaged. The productivity rates are down, the export rates are down, the inflation rate is up, machinery is breaking. It is the real Achilles heel of the Sandinistas.

They have an economy where they have serious, serious problems. The war is causing them to divert [deleted] their resources into the war effort away from the economy and it is a drain on their manpower. What essentially you have got is a cross ruff going on with the war driving the economy into distress, the economy is separating people. The trick is for the Resistance forces to create a viable alternative that is attractive to the Nicaraguan people to generate that latent animosity at play for the Sandinista regime.

[Deleted].

Mr. DEWINE. There was one portion of your testimony that confused me. I just want to clarify. I want to go back into it a little bit. Again, the time in October of 1986, October 14, when you were in front of the House Intelligence Committee. Clair George, could you tell me—when you walked into that meeting that day, what you thought he knew at that point? I don't quite understand what you thought he knew before you went into the meeting. I apologize if this has been gone over in this hearing.

[*C/CATF*]. I will try to go over it. I thought that Clair George knew that Ollie North was involved in causing things to happen for the Resistance forces and that he was facilitating to some degree or to a real degree the activities of the private benefactors, the donors, so on and so forth and had been, was the administration's point man for rallying and directing private aid to the Resistance forces.

I didn't think that he had the same level of detail that I had, but he had the—I felt he had the broad outlines and knew in general details that Ollie—general details what Ollie had been up to without the specificity we have gone into and that I have talked to about the committees today, but enough certainly to know, as I think did a great many people in Washington, frankly, about what Ollie was doing. I would like to sort of quote what I said in my final comment to the grand jury, really up until today, one of the toughest questions I have been asked, by the foreman.

He said, [*C/CATF*], you knew and developed this information over this point in time, why didn't you report it to somebody?

And my answer was, to whom should I report?

People from Capitol Hill? To the White House? To the State Department? To Langley? The Pentagon? They knew Ollie North was around the Central American operation. If people wanted to look at it in depth, it was there to see.

It was no secret in Washington. And that is really—I thought that Clair had a general understanding of what was going down as did a great number of people in Washington. I did not think it was a great secret.

Mr. DEWINE. Very quickly, as your testimony continued that day, did your understanding change at all? Did that change it in any way? I don't know that it did.

[*C/CATF*]. As I recollect, I don't think my recollection—my understanding changed. I thought that Clair was answering the questions on a narrow basis, focusing on the Agency. I think if you look at the construction of his questions that is exactly what he was doing.

[Deleted].

Mr. DEWINE. Thank you very much.

Mr. Chairman, if I could reserve the balance of my time. I don't know if I will use it or not. I may not use it.

Chairman HAMILTON. The gentleman from Ohio reserves 3 minutes.

Mr. RUDMAN. [Deleted].

[Deleted].

Chairman INOUYE. Senator Mitchell.

Mr. MITCHELL. You were asked this morning about your testimony to the Intelligence Committees following the downing of the Hasenfus flight. I want to ask you about Secretary Abrams' testimony on the same panel before you and any conversations you had with him. When he was before this committee, I was told that his testimony regarding that was in his words completely honest and completely wrong. He said that he was unaware at the time he testified that his categorical denial of any involvement by U.S. Government officials was inaccurate.

He also made that same statement in public several times. He testified that he was not corrected by any other officials after he made those categorical statements and, therefore, repeated them and continued to believe them to be true. Indeed, the lack of being informed otherwise by other officials apparently contributed to his confidence in their accuracy.

Now, you apparently testified this morning about your testimony at the hearing. My question is: Did you ever tell Mr. Abrams that his information was not accurate, either after a hearing or at anytime thereafter during that period of several weeks when he repeated those same inaccurate statements in public?

[*C/CATF*]. I don't recall having done that, calling him aside and saying "You are not right on that point." I don't recall that.

Mr. MITCHELL. Why didn't you? If you were present when a government official made statements to committees of Congress and then repeated them in public which you knew were inaccurate, if you had been in Mr. Abrams' position, wouldn't you have appreciated someone telling him you had better stop saying that, it is not true?

[*C/CATF*]. I didn't know what the status of Mr. Abrams' knowledgability was. I thought, and I don't know the man, I am not going to impeach his testimony, I don't want to do that, but take away conversations that I had with Ollie North, various things, any glimpse I saw by then of my operational activities and the understanding of just the know how operations and how that unfolded, I didn't quite know how he got to where he got to, and I didn't ask him how he got there. I didn't get involved with it. I didn't understand, I didn't ask him about it. I just left it sit there.

It's all part of a passivity that I described to the committee just to get through troubled waters and get on to the next program.

Mr. MITCHELL. I understand you felt in an awkward position then and feel in an awkward position now.

Let me state it more directly, what you are telling us is that at that time your state of mind was you thought that Elliott Abrams knew the facts and believe he was stating them, making false statements.

[*C/CATF*]. No, I felt that Elliott Abrams——

Mr. MITCHELL. The statements were false, he acknowledges that now. The question is whether he knew they were false.

[*C/CATF*]. I don't know what was in his mind, and I can't speculate on that.

Mr. MITCHELL. What did you think at that time? I am not asking you to speculate now. I am asking what you believed at that time.

[*C/CATF*]. I will tell you my reaction. I was taken aback by the statement, and I have subsequently talked to Mr. George. Mr. George was taken aback by his statement. I don't know, maybe I incorrectly assumed, therefore, because I have tremendous respect for Assistant Secretary Abrams, maybe I assume, which I did, I just kept my mouth shut.

Mr. MITCHELL. Is it fair to say, although you had no specific information about the state of his knowledge, you were taken aback, you thought he knew the facts?

[*C/CATF*]. Not the facts. I thought he would have a broad brush understanding, as did a lot of other people, Ollie was in and around those things. Again, I didn't know how much detail. I didn't know how he got to that statement, and I left him with that statement and said he has got to be comfortable with himself, he's there, and that's that.

Mr. MITCHELL. All right. Thank you. I won't press that any further.

[*C/CATF*]. Thank you.

Mr. MITCHELL. You said this morning at one point that because of the circumstances you found yourself in, you were, I believe you said, bitter at the administration and at Congress?

[*C/CATF*]. Yes, sir.

Mr. MITCHELL. Why were you bitter at Congress?

[*C/CATF*]. Because I felt that it was frankly tough, rough, bipartisan politics that got us here. I think that the delaying—I am going to be very frank. I thought the delaying tactics of the Speaker of the House and the Rules Committee attendant to the $100 million program was tough, rough, first class, big-league political sort of legislative warfare, delaying it and tying up when that bill went to conference, it got us into August, into September, it got us into October. That is one.

Frankly, I thought that the decision of the House of Representatives, once again, tough, tough partisan politics that rule CIA out of the legislation and left us in an awkward and extended and difficult position, and I felt that the plea that we had made in October in large part in some measure, because I had pushed the issue very hard, to allow CIA to get back into support of the logistics game and was ruled down in the Senate-House Intelligence Committee conference on the fiscal year 1986 legislation, left us hanging out.

In short, I felt that I had made just Herculean efforts for a person in my position three times to get out from under the legislative vice I was in and three times, because of partisan politics, it was turned down, and I couldn't see any reason for it except for partisan politics, and I felt that left me in a continuing, exposed situation and that—to this day, it sticks in my craw.

The reason I am here is partly because of that.

Mr. MITCHELL. You are a career official in an intelligence agency and you regard disagreements over policy as partisan politics?

[*C/CATF*]. I believe, and as a career intelligence official, it is my duty to serve the administration. If that administration is right in its policies, I—in my—I serve them. If it is wrong I serve them and I try and change it. If the Congress is wrong in its policies and I am in a position as I was in, I serve the policy and try to work with the Congress to change it. That is how I see my job.

Now I have been in Democratic administrations as a career intelligence official and I have been in Republican administrations as an intelligence official, as a civil servant. I served in [deleted] when it was the policy of the Carter Administration that the U.S. Government had no strategic interest in [deleted]. I thought it was dead wrong. I thought it was a silly policy. I stayed [deleted]. I did what I was told. I served the Administration, I filed my reports and tried to change the policy.

I came back and in this job I was in a situation where I felt the administration—I don't feel, I know, but it is still interpretative, so I will say my opinion is that the administration is dead right about Central America, the Congress is wrong and I worked as hard as I could to change it. Maybe I am wrong, maybe I am naive that there is every right to disagree, every right for Congress to voice its disagreement, but when push comes to shove there's got to be a boss; someone has got to make a decision.

As I said in my opening statement a house divided against itself cannot long endure, and I think that the final prerogative to make a decision and the man with his hand on the helm is the President, and he wanted to do it and I am going to quote you Chairman Hamilton, when the law passed, Congress passed a very awkward law, difficult to administer, put us in a terrible position, we talked about it in your office, you knew we were in a bad situation and you said we will try to help you implement this thing as best you can, even though I'm against it. I knew it was bad. I just couldn't understand it. There was a law. Why give us half a loaf, why give us something that we couldn't implement right. It was just ludicrous and it was partisan politics because the Congress didn't like Bill Casey and the Congress didn't want CIA in because of the mining of the harbor and we couldn't get over our internecine warfare and it shouldn't have been that way.

I am bitter, but it is not just Congress. I share it with the administration for hanging me out in November, December, and January through silence.

Mr. Mitchell. I understand. You explained that. In the first place your obligation is to the Constitution and the laws, not to any administration and when you swear an oath it is to obey and defend the Constitution and the laws.

[*C/CATF*]. Absolutely, there is no doubt.

Mr. Mitchell. I will just say that I think it is demeaning and insulting for you to suggest that those who happen to disagree with you on policy are engaged in partisan politics, obviously used in a pejorative manner as though there is something in our system that in which a person who disagrees is acting in a partisan manner but a person who agrees with you happens to be right, and I think it is simply preposterous to suggest that those who opposed Contra aid did so because they didn't like Bill Casey. I would hope you would have a somewhat higher opinion of the motives of those who happen to disagree with you on an issue that people would vote on important policy issues on that basis. But—and every Executive Branch official has an obligation to obey and uphold the law, and not to select which laws will be obeyed or will not be.

I had some other questions but my time is up. I merely wanted to make that comment.

[*C/CATF*]. Sir, I obeyed the laws, I think the record is clear that I made decisions to stay within the laws. I don't mean any disrespect for those in the partisan sense. When I said partisan politics, I meant it as a descriptor. As a matter of fact, I had great respect for the skill and ability of the Speaker of the House and what he did, I thought it was a masterful performance.

Mr. **Mitchell**. Well, it is noteworthy that you used the phrase partisan politics only to describe those who disagree with you, never ones to describe those whose actions agree with you.

[*C/CATF*]. That perhaps is a poor selection of words. I don't mean to leave that out, but I do think that once the Congress acted and passed a law we should have had a law that we could have implemented as effectively and as efficiently as possible, and we did not have.

Mr. **Mitchell**. The fact is that the President's veto power gives him enormous influence in the process of writing laws in the first place, and the Boland Amendments themselves were the product of compromise which we go through here all the time, every member of this committee has been in a conference where we write the laws and the Executive Branch official is sitting right there and it is a three-way negotiation to try to figure out what we can pass that will survive a Presidential veto and the result is you do get laws that are sometimes frustrating to some and ambiguous to others, and not as clearcut as everyone would like, and one of the reasons for it is the significant role that the Executive Branch plays in writing the laws by virtue of the President's enormous power as through the veto, and that is what occurred here and what occurs every day when the Congress is in session.

Thank you, Mr. Chairman.

Chairman **Hamilton**. Mr. Rodino.

Mr. **Rodino**. Thank you very much, Mr. Chairman.

[*C/CATF*], on March 31, 1986, two FBI agents and Assistant U.S. Attorney went to Costa Rica to investigate allegations of gun running to the Contras by John Hull, Rob Owen, Oliver North, Tom Posey and others. Were you aware of this investigation?

[*C/CATF*]. Yes, I guess generally I was but I don't recall it specifically. But generally I must have been.

Mr. **Rodino**. Do you recall when you became aware?

[*C/CATF*]. I would have to check the record, but I was—it was roughly sometime in the spring of 1986, when people were looking at the lawsuit surrounding the possibility of drugs and money and John Hull and such. But I don't remember—sometime in the spring of 1986, but I don't remember when exactly without checking records.

Mr. **Rodino**. Can you recall who called this to your attention or did you learn it yourself?

[*C/CATF*]. In the course of my normal duties, I think it was partially through reporting from [deleted] and then I think that it came up because a complaint was filed if I recall correctly with the U.S. District Attorney in Miami, Florida at some point in time during that year, and I read the complaint.

Mr. **Rodino**. When you say [deleted], whom are you referring to?

[*C/CATF*]. [Castillo].

Mr. **Rodino**. Did he then report to you regarding this investigation?

[*C/CATF*]. He reported to us regarding the allegations that were being done and information about the fact that an investigation was going and a suit or a possible suit was going to be filed, and I don't recall all the details of that.

Mr. Rodino. Are you aware of any cables or other traffic concerning this?

[*C/CATF*]. Yes, there were cables concerning it, but not about that. [Deleted]——

[Counsel conferring with witness.]

[*C/CATF*]. And there were, as my attorney points out, a number of questions that we prepared in response to congressional investigations on this issue. So generally there was a lot of exchange on that. I don't remember the details of it, but it was no secret and I knew about it.

Mr. Rodino. But the cables did reflect and report on the investigation?

[*C/CATF*]. On the FBI investigation?

Mr. Rodino. Yes.

[*C/CATF*]. No, [deleted]. I don't recall specifically cables on the FBI investigation per se. There may have been some, but I don't recall them.

Mr. Rodino. Was Oliver North to your knowledge aware of this investigation?

[*C/CATF*]. In general terms he must have been, yes, because it was public knowledge and——

Mr. Rodino. Did he talk to you about it?

[*C/CATF*]. Not that I can recall specifically, but it is possible in the context of one of the meetings he might have mentioned it, but I don't recall. I don't recall specific conversations about it. It is probably I guess as I think about it that he would have discussed it with me.

Mr. Rodino. Do you know what if anything was done about the investigation?

[*C/CATF*]. Not that I can talk to firsthand. It may be that I knew more details about it at one point in time than I can remember right now. As I recall the initial case was thrown out of the District Court for some reason, and had to be refiled and I think the investigation may have been stopped because of that or it may have gone forward. I just don't know the details of it.

Mr. Rodino. I am going to refer you to exhibit 41, which is—I think this was discussed today, but it is an excerpt from your interview by the Tower Board and you stated that a courier met Director Casey in Central America sometime in the latter part of November of 1986, probably around the 19th, or so, to deliver materials so that Director Casey could prepare for his upcoming congressional testimony.

And according to your testimony, this courier whom you identified this morning as I believe [deleted], said that Director Casey at that time, you know there may be a problem on diversion. My questions—what did Director Casey say when [deleted] made that remark?

[*C/CATF*]. [Deleted] said it to me. He said [*C/CATF*], it looks like there may be a problem with Iran money. There is intelligence that indicates that more was paid in than came out. I just looked at him and said wow, or something like that. I don't know that he told Director Casey that.

Mr. Rodino. Was Director Casey in your presence?

[*C/CATF*]. No. He was on the airplane and [deleted] and I were standing off to one side. We were on the tarmack at the airport, [deleted]. So I don't know that Director Casey ever heard that one way or the other.

Mr. RODINO. What did you take [deleted] comments to mean?

[*C/CATF*]. What I said, that there might be a problem out there with the Iran program. I didn't know much about it. When I heard that I suspected that there might be a problem with it.

Mr. RODINO. After hearing that did you make queries about it?

[*C/CATF*]. I did not because I didn't know anything about the Iranian initiative and I kept my mind on trying to get [deleted] and I really didn't pay that much attention to it.

Mr. RODINO. Did you report this to Casey?

[*C/CATF*]. No. He took off on an airplane to come back immediately, I stayed in Central America and continued the trip and subsequent to that I may have had only one more meeting with Director Casey before he died.

Mr. RODINO. Did you report it to anyone else in the Agency?

[*C/CATF*]. No. No.

Mr. RODINO. So there was no followup at all?

[Counsel conferring with witness.]

[*C/CATF*]. No, I didn't—no, I knew that it was being followed up in the context of this thing, in the context——

Mr. RODINO. What do you mean?

[*C/CATF*]. I knew the Director was coming back and was to testify, and others were looking at this thing, and I didn't—it was not my portion of the pie, and I didn't focus on it. [Deleted].

Mr. RODINO. This didn't give you any concern when he said there is a problem with this?

[*C/CATF*]. It gave me a concern, but I [deleted]. I was [deleted] and didn't followup on it. I didn't know anything about it, and with those things you have to have one or two pieces of data out there to be able to link something together. It was a passing comment, and it just was a passing comment.

Mr. RODINO. I have no further questions, except that I want to say, Mr. Chairman and [*C/CATF*], I have been here listening to [*C/CATF*] testimony, and I know that at least during this session of his testimony he has attempted to tell us clearly whatever questions I guess were being asked of him and to respond as best he could. I'm a little distressed, though, and I must say so as a member of this committee and as a Member of Congress, recognizing that responsible people in government, and I'm sure that [*C/CATF*] has a responsible job and certainly one that is very sensitive, but very frankly, having listened this morning to your responses to Senator Cohen, and then responding to Senator Mitchell, I feel part of this government, and I'm sure that we all respect the law and I'm sure you do, as you say you do, and the Constitution, but it seems to me that when you suggest that you were not happy or you felt that the Congress hadn't done what you had expected them to do or what they should have done and you found yourself in sort of an awkward position because you believed that there was something that needed to be done and you felt that you could act and act in the manner in which you did, and to many of the questions that were put to you by members of an intelligence committee which needed information and on which I believe a good many of us have to rely who are not members of that committee, when we look to the Congress as a co-partner, a co-equal in trying to run this government, it bothers me really when you talk about, well, I was technically correct, and yet not actually specifically accurate, and I wonder how we are going to run this government of ours really, and recognizing that there is a need for covert actions, there is a need for ensuring that we don't permit it to go beyond the few people whom we consider responsible and who the Congress few people who are considered responsible and who the Congress has established as the receiving committee or the receiving group are in effect deceived and lied to, I don't know how we are going to run this government of ours and run it in a manner that the people are actually going to continue their trust.

Now, I don't expect you, of course you have said, and I heard you and I note that in your responses you also interjected how badly you felt and how terrible it was, and it was a terrible time and how you are trying to sort of put it all together now, but it seems to me we ought to learn a lesson from all of this.

Thank you, Mr. Chairman.

Chairman INOUYE. Senator McClure.

Mr. MCCLURE. Thank you very much, Mr. Chairman.

[*C/CATF*]. I want to return for a moment to a very early exhibit. If you will return to your book, [*C/CATF*] no. 1, that is a November 7, 1984, memorandum from Oliver North to Robert C. McFarlane.

The second page of that memorandum, near the bottom of the page, it says, "I asked [*C/CATF*] if he was aware of the source of the Resistance funding. He told me, no, that CIA has been trying to determine this," et cetera.

You see that statement?

[*C/CATF*]. I'm looking for it.

Mr. MCCLURE. Near the bottom of the second page.

[*C/CATF*]. Yes, I see it. I was on page 3.

Mr. MCCLURE. Do you recognize that this is not your memorandum, it is that of Mr. North? Do you recall Colonel North asking you if you were aware of the source of the Resistance funding?

[*C/CATF*]. No, but I believe this is a good point in time for me to put something on the record that is not on the record. The reason it is not on the record is frankly, the first three times I testified to the Senate, to the Tower Commission, and after that, to—I don't remember, a couple of other times, I forgot it. Then I remembered it, and I just didn't put it on the record. I'm going to do it today.

At some point in November of 1986, I don't remember the time, I would have put it later than this, there were a series of events, and I don't recall them—I was trying to figure out what was happening, and I began to wonder whether or not Oliver North were not involved in something. I took it to my supervisor, my supervisor took it to Clair George, he took it to Director Casey, Director Casey convened a meeting between Clair George, the Division Chief and myself and Oliver North, and confronted him. He said, "Ollie, are you operating in Central America?" And Ollie said, "No, I'm not operating in Central America."

I was obliged to kind of lay out my concerns. Ollie backed out of the meeting. It was about 10 minutes. It was a terribly sort of awkward meeting. We left that meeting. Ollie went his way, I went back and Clair George and I sort of talked about it a minute and that is where I, along with Clair, decided that we were going to stay within the bounds of the law, how we would handle the problem if it was a problem, and it might have been this kind of precipitated this memo. That was the first time that I really began to understand this.

That has never been put on the record anywhere before today that I know of. I forgot the thing and didn't put it on the record in my deposition because it didn't come out and it didn't fit into the conversation at that time, but it does now. I want it on the record. I think it begins to set some of the backdrop as I develop the nutcracker that I was in.

Mr. McClure. The second part of that sentence after he told me no, it says that "CIA had been trying to determine this." Do you know of any other efforts other than the one you referred to?

[*C/CATF*]. We were trying to figure out what was happening. We were trying to find out [deleted] what was going on. We were doing calculations. We were then fully collecting intelligence because one of the key intelligence questions confronting the Central American Task Force was, can the Resistance survive and how long. Our projections were that there was no money and they were going to fall apart and they weren't. So we were looking at it wondering where the money was coming from.

[Deleted].

Mr. McClure. Was that a decision made to protect the U.S. Government or a decision made to protect the Agency?

[*C/CATF*]. I think it was both, a decision done to protect the Agency and a decision to work in cooperation with the Congress, to not be in a position where directly or indirectly we might be influencing the political process or accused of that.

Mr. McClure. Was that for the Government or for the Agency?

[*C/CATF*]. I would say for both.

Mr. McClure. If it were for the Government, why was it acceptable to hand it off to North to run with these private benefactors?

[*C/CATF*]. Because we were—we wouldn't be using appropriated funds. The Agency would have had no direct involvement in it [deleted]. You have to remember that if it went off, I didn't know how that was working and I thought that someone would just be taking care of it.

Mr. McClure. Thank you very much, [*C/CATF*].

I yield back the balance of my time.

Chairman Hamilton. Mr. Hyde.

Mr. Hyde. Thank you, Mr. Chairman.

I am going to try and moderate my approach to what I want to say—more in sorrow than in anger—which is difficult for me to do because I really have some things to say about partisan politics, which apparently is a stranger to this committee and to this Congress. There is an old saying, "don't kid a kidder," and it is my thesis and in that perhaps you are not alone that partisan politics is one of the strongest—take partisan away—raw politics is one of the strongest forces that moves and shakes this body, meaning the House and the Senate.

I got a lesson in politics one day when I said on the floor while we were debating the nuclear freeze, I said to one of the smartest people on Defense matters, the brightest, most learned, a real leader—I said, blank, how can you support this nuclear freeze, because it harms us in negotiating arms control with the Soviets? And his answer to me, kind of tossed off, was "party policy." And it occurred to me that party policy is very strong around here and I got a lesson in practical politics. Now we, we complain, this committee, complains that we bypassed the Secretary of State, we bypassed the Department of Defense when we had this goofy off-the-wall Iranian arms hostages operation. We were working it out of a gerrymandered National Security Council with commercial cutouts and lack of accountability. And that is right, I agree, I think it was nonsense. But then didn't we, in all our wisdom, impose upon the people who worry about Central America, a hybrid ad hoc gerrymandered little group called The National Office for Humanitarian Assistance, or whatever its name, and impose upon them a task of distributing humanitarian aid down there, knowing we couldn't get down there because [deleted] didn't want to touch it with a ten-foot pole, looking around Washington to find people with some experience on something that was unique and had never been done before, and blocking out the CIA, blocking out the Defense Department.

Anybody that had any expertise was ineligible, and that was in wisdom we did. I don't want to call that partisan politics. Call it stupidity if you want, but that is what we did in all our wisdom. I can say that, I am protected by a speech and debate clause, so I'll say stupidity. Remember ignorance is salvageable, ignorance is forever.

You can say it was because we disliked Bill Casey or we distrusted the CIA but I don't know what we had against any agency that had an intelligence capability and imposed it on the national office, as though one ever existed, and then demand a meticulous accounting for everything they did. I don't know what you call it, if you can't call it partisan politics or raw politics. Let me just say, at least partisan politics has a rational basis. When you get visceral politics then you go off-the-wall, and it is my thesis—nobody has to agree with me—that the visceral contempt that the President of the United States was held in, at least insofar as Central America's policy is concerned, by the Speaker of the House, had to be—I don't know what else you could say. When the Speaker of the House says Reagan won't be happy until he has our boys down there in Central America fighting—the Speaker said that several times. In other words, the President won't be happy until American boys are down there getting killed. I don't know how you deal with somebody who feels that way or who gets their intelligence from the Maryknoll nuns on Central America. I would say you have problems dealing with that. Maybe we don't call it partisan politics. Give me another name and I will be happy to adopt it.

This committee, the cream of the cream, present company excepted, is supposed to be, and I will stipulate to that, I am lucky to get in the room, but I will tell you this, this committee is not above operating partisan politics because a letter went from the chairman of this committee, the two chairmen, to Director Webster on

June 25, asking for certain things. It was not submitted to the vice chairman, it was not submitted to the ranking Republican, but—you don't know anything about this—carbon copies went to Senator Boren, Democrat, went to Representative Lou Stokes, a Democrat, because they are chairmen of their respective intelligence committees, but no Republican was part of that. An important letter wanting some action done by the CIA, but no Republican was a part of that.

I don't know how you characterize that. A typographical error, a secretarial oversight?

I don't know. But it is wrong. It is partisan politics. It shows you don't trust the Republicans. That may be well justified, but it shouldn't have happened, and it is partisan politics. So here is one member that does not fall off his chair when I hear partisan politics blamed for what goes on around here.

I agree, I think partisan politics is stronger than the sex drive on this Hill and that is saying something, and I yield back my time.

Chairman HAMILTON. You should.

Mr. INOUYE. Senator Sarbanes.

Mr. SARBANES. [*C/CATF*], you said earlier at the Gregg meeting you didn't like what you saw, but I wasn't quite clear what it was you saw that you didn't like. And I wonder if you would develop that.

[*C/CATF*]. I think I didn't like what I heard would be more accurate, what was going down.

As I reported or as I told the committee, starting at about May, maybe slightly before that, I was trying to pull myself back. I was trying never to get involved, to keep my involvement within the bounds of propriety, within the bounds of law and particularly in the summer of 1986, was back-pedaling as best I could to stay out of harm's way. That meeting took me in a direction I thought was heading right for the shoals.

I didn't think that it was a topic that should have been discussed and I just didn't want to be there and hear what was being said and get into a debate over the efficacies or the pros and cons, the pedigree of whoever the private benefactors were. I didn't want to be pressed to associate or to associate myself with Felix Rodriguez. I didn't want to be pressed to sort of buy airplanes or to comment on buying airplanes or not buying airplanes. I just didn't want to talk about that and I didn't want to be in that meeting.

Mr. SARBANES. Well, now, let me try to get a little more specific, so we are not, as you said earlier in an answer, technically correct, but specifically evasive. You said that you didn't think it was the CIA's job to investigate, if there was going to be an investigation, it was the responsibility of the FBI.

[*C/CATF*]. That was with regard to trying to trace the sources of the money.

Mr. SARBANES. And what was it that you saw that would call on the FBI to have a responsibility to investigate?

[*C/CATF*]. I go back very specifically to that statement. I felt when I made that statement, and I made it several—I made it one time that I can recall explicitly, about the FBI, other times implicitly, where I said it was not our job to investigate U.S. citizens. I thought the funding was coming from the United States, and I thought the funding involved U.S. citizens.

I did not know the funding involved [deleted]. I did not know the funding involved a diversion from the Iranian accounts and, therefore, if someone was going to investigate where the money was coming from, it fell to an investigative agency not the Foreign Intelligence Agency, and that was the thrust of what I said and what I meant to do. It was an operation from the United States as best I could see from the bits and pieces of it, and was better and more properly investigated by that body or someone else other than us, and we did not, we undertook not to investigate it.

Mr. SARBANES. What was the illegality that you feared was taking place that would warrant an FBI investigation?

[*C/CATF*]. I didn't know that there was an illegality——

Mr. SARBANES. No, I am not saying that you knew, but if you felt that an FBI investigation was warranted, what was the transgression that you saw that warranted it?

[*C/CATF*]. What I was saying, there was if somebody wants to know where the money is coming from and wants an investigation conducted, then someone other than us should conduct it because it was my belief U.S. citizens were involved, and you can say, CIA, why don't you do it and you have Executive Order 1223, all of the fall-out of the Church Commission, and the Pike Commission, and you can't have it, as I think Clair George said in his testimony on 14 October, both ways, we can't investigate U.S. citizens. That is where my level of knowledge was going to take me. And when I made those statements, my point was that if there was more information wanted on those things, it was my firm belief at that point in time that it led back to the United States and they were U.S. donors and that was something for someone to investigate other than me as a foreign intelligence officer. Right or wrong, that is what I believed.

Mr. SARBANES. And that is the aspect of that meeting that disturbed you?

[*C/CATF*]. The totality of it, the fear of the unknown, what was going to be discussed, where it was going, who was going to say what. I just didn't want to be there because I felt it could put me in an awkward position and I didn't want to be in an awkward position.

Mr. SARBANES. Now, let me ask you this question. I have been disturbed as I have listened to your testimony because I am frank to say to you I see no basis in the way you have responded to feel any assurance that if placed in, as you put it, in the nutcracker again, you wouldn't, in effect, repeat your performance.

I mean, you have asserted you were put in a difficult situation. I think you made the point to Senator Boren if you really want to look at how things would work, better look at what is happening now. Is that correct?

[*C/CATF*]. That is correct. Now, and referring specifically to the way in which I am executing the trust that has been given to me [deleted] and the testimony and in cooperation with committees of Congress in executing the——

Mr. SARBANES. You are not in the nutcracker now. The fact of the matter is that the substance of the congressional position now and the substance of the administration's position and, therefore, the substance of your position since, I take it, from your testimony on substance, you agree with the administration, are all intangible.

The difficult situation is when the substance of your position is at odds with one of those positions and in particular with a congressional position. I am not quite clear that if the situation had stayed as it was in terms of the congressional judgment or indeed were to return to what it was at the time of the application of the Boland Amendment, where do I find from your testimony the assurance that your performance would be any different?

[*C/CATF*]. Let me answer the question first by saying that I hope it is the outcome of this committee, the investigation and the lessons learned, no civil servant, no person in my position is placed in the nutcracker again. I think if we go through the annals of American history we are going to find this is a unique situation. There aren't many like this one.

It wasn't that my personal beliefs, Senator Sarbanes, were different than the Congress of the United States. I have been there before. In not quite as direct a way. But it was the fact that has come out in front of this committee there was a dynamic working out there that I couldn't control that created the other side of the nutcracker, the congressional side was only one part of it. The administrative side was the other. And I made the decision, and you can criticize me for the decision, that I was within the bounds of the law and I would be very careful each step of the way to stay inside the bounds of the law, do anything and everything I could to support the administration in its policies.

And I did that. I would hope this would never happen again. If I am put in this situation again, I don't know how I will respond. It is hypothetical. I hope to God I am never there, I will work doubly hard not to get there again and I probably will respond differently because, quite frankly, I don't have the physical nor the moral energy to go through this thing again. That is the bottom line.

Mr. SARBANES. Let me add something to this, because I don't think it is simply a question of in a sense saying you don't have the physical or moral energy to go through it again. I think if you are in the posture of having to say to this committee, upon examining your actions, particularly with respect to the testimony that you gave, as questions were presented to you, and your answers previously in response were given to you where you finally had to say, well, those answers were technically correct but specifically evasive, I don't think at that point that you are dealing with a Congress, which is after all also an essential part of our government, in a forthright, good-faith manner, and it seems to me that it is out of that issue that I perceive your difficulties to have arisen.

I mean, I understand where you were in terms of the pressure on you within your organization in terms of your activities, but then to come to the Congress and participate, as you did, in terms of not replying, replying evasively, dissembling, it seems to me at that point you, in effect, have passed beyond being within the ambience of certainly the spirit of the law.

[*C/CATF*]. I would take exception to the word dissembling, I didn't think I dissembled. In times of crisis and pressure, each one of us makes our decision. I made mine, I live with it. I can't say anything else.

Mr. SARBANES. Well, I just—the only point I want to make——

[*C/CATF*]. I appreciate what you are saying.

Mr. SARBANES. —is that assertion, which on its face is candid and forthright, does still not address the substance of the problem. It doesn't give me any reassurance in the future if a comparable issue should arise for you to say, well, you make your decision and you live with it, because you know you may very well make the same decision and decide to live with that decision again in the future.

[*C/CATF*]. I don't mean to be flippant, but my mother teaches me actions speak louder than words. I can say mea culpa, I am sorry. All I can say, my actions and the way I manage my operations that were not attendant to the nutcracker I think speak loudly for themselves. Frankly, I enjoy interpersonal relationships, I enjoy working with Congress, I enjoy a spirited debate, and the situation troubled me then, it troubles me now. I can't do anything that is going to set your mind at ease, I can tell you like it is.

I can tell you, look what I did before, look what I am doing now, you have to make your own judgment. I would like to be more——

Mr. SARBANES. Maybe it helps if you at least know that some of our minds have not been set at ease.

[*C/CATF*]. Yes, I understand that.

Mr. SARBANES. Thank you, Mr. Chairman.

Chairman INOUYE. Senator Nunn.

Mr. NUNN. I am sorry I haven't been able to be here for all of your testimony. I don't want to repeat things, but I want to ask one or two questions. I understand you have already testified you did not know of the diversion of funds from the Contras—to the Contras from the Iranian arms sales.

[*C/CATF*]. Yes.

Mr. NUNN. When did you first learn of that?

[*C/CATF*]. In spades, in definitive terms, on the Tuesday, it was just—just before it was announced by the Attorney General. There was one indicator, as Congressman Rodino pointed out some days earlier, in that there was a discrepancy that may be looked at, but I did not assign significance to that at that point in time.

Mr. NUNN. Did you ever have a conversation either before or after that time, that Tuesday, that you learned of the diversion, did you ever have a conversation about the diversion either before or after that period with Director Casey?

[*C/CATF*]. No.

Mr. NUNN. Did you ever have anyone tell you that Director Casey knew about the diversion?

[*C/CATF*]. No.

Mr. NUNN. You have never had a conversation with anyone in the CIA about whether Director Casey knew about the diversion?

[*C/CATF*]. The discussions I had about it were after we returned from the trip to Central America, as best I can recall them, and it was, I was a peripheral sort of inflow addressee is the best way to put it, about the Roy Furmark letter or the Roy Furmark claims, the [deleted] claims, and those other sorts of things that went back and forth.

But I never had a specific conversation with Director Casey about it, nor do I recall having specific conversations with anyone else. I was the sort of kibitzer on the side of the main action.

Mr. Nunn. Let's strike the word "specific conversation" and leave the adjective off and ask whether you have had any conversation with anyone in the CIA about the diversion?

[*C/CATF*]. I just said yes, that we talked about the Furmark memos and talked about the [deleted] memos and so on and so forth. But it's all kind of a melange in time, and I don't know exactly when it happened. My recollection would be in December when things were sorting out and stuff was coming down.

Mr. Nunn. December of 1986?

[*C/CATF*]. Yes.

Mr. Nunn. Well, has anyone, either in or outside the CIA or inside or outside the U.S. Government, told you that Director Casey knew about the diversion?

[*C/CATF*]. Not—I have heard what I have heard in the context of these hearings. No one else has ever told me anything about that except after December the letters, the Roy Furmark meetings, and those sorts of things that I learned about sometime in December, but no one ever came up to me and said Bill Casey knew about it prior to that time or didn't know about it. No, I am pretty specific about that.

[Witness conferring with counsel.]

[*C/CATF*]. Prior to this, and I don't know when it was, but one time, and I have been seaching my memory, it's sort of like the computer going round-and-round-and-round trying to dredge things up, I do recall the Director asking me, saying, [*C/CATF*], what do you know about where this money from the Resistance is coming from, and do you know about it?" I said, "I don't know much about it," and he said, "neither do I." I kept away from it. I haven't asked the questions on purpose, and that kind of left it there. That was about the only time the Director ever really raised those issues with me.

Mr. Nunn. About what timeframe would that have been?

[*C/CATF*]. Sometime in 1986. I couldn't put my finger on it. It was one of my meetings with Director. I would put it in the—I am guessing—but I would say sometime in the April to June timeframe of 1986, and that is a real guess.

Mr. Nunn. That would have been before the letter came from the Canadian businessman and so forth?

[*C/CATF*]. Yes, I am certain before that.

Mr. Nunn. Tell us again as nearly as you can what Director Casey said about that.

[*C/CATF*]. What it was, I was standing getting ready to leave the room, and he said "[*C/CATF*]," he said, "what do you know about those, about the funding for the Resistance forces?" And sort of how it's being done and what Ollie is doing. And I said, "Not very much, I don't know where it's come from, I have stayed away from it."

He said, "So have I, I haven't asked any questions about it, I don't want to know about it. I've kept myself ignorant." That was the thrust of it.

Mr. Nunn. Where was that conversation?

[*C/CATF*]. In his office.

Mr. Nunn. Was anybody else there?

[*C/CATF*]. No, me and he.

Mr. Nunn. That is the only time you ever had a conversation with Director Casey about the diversion?

[*C/CATF*]. That's not about diversion, that was about funding, in general. It was the only time I ever really talked with him about that. Wait, there's one other one. Before Thanksgiving—when was Thanksgiving? Does anyone have a calendar? Was it the 17th? Something like that. I got a phone call from Miami from Director Casey. I was at my office, I don't remember the date or the time, but he was on vacation in Miami, and it was when this whole thing was in full blow, and he said, he called me up and he said, "Don't worry, [*C/CATF*], we haven't done anything illegal, I first learned about this thing from Furmark and reported it right away, I don't want you to worry."

Mr. Nunn. So he specifically told you he didn't know about it before then.

[*C/CATF*]. That is what he told me. He said, "[*C/CATF*]", don't worry." As you might guess, this whole thing is public, and my heart is in my mouth where it has been 8 months. He made that phone call, I was a little taken aback by it. It was from Miami. It was a secure line phone call.

Mr. Nunn. You never heard anyone else, either in the CIA or otherwise, apart from these hearings, say that Director Casey either knew or didn't know?

[*C/CATF*]. No. We have talked about it and speculated about it. No one I have talked to said he knew about it. Nobody knows. Those are two instances in which he made comments to me.

Mr. Nunn. Do you know Colonel North?

[*C/CATF*]. Yes.

Mr. Nunn. Did you know him pretty well?

[*C/CATF*]. I would say I knew him very well as a professional acquaintance. I didn't know him well as a social acquaintance.

Mr. Nunn. Did you hear his testimony where he said Director Casey knew and they talked about it many times?

[*C/CATF*]. I didn't see it all, I saw snatches of it, and I read most of his deposition.

Mr. Nunn. I would like to ask you whether you believe that testimony.

[*C/CATF*]. Sir, with your indulgence, I don't want to engage in opinions on it unless you really—I don't know what to believe. I can tell you another vignette, which I will, that will give you another side of Director Casey. At one point in time, I was in his office and he said, "You know, [*C/CATF*]," he said, "so and so said that I had terminal cancer. Isn't that preposterous? Isn't that the most ludicrous thing you heard? Do I look like a man with cancer?" I said, "No, you don't." Well, he did. And I had no idea. So I mean the man—I just don't know what to make of it. It is possible he did, it is possible he didn't. I walked out of that office that day thinking he didn't have cancer and he was going up to New York, I guess, for treatment of prostate cancer sort of on a recurring basis and I didn't have a clue about it.

. . .

Mr. NUNN. So at the time he told you that he knew he had cancer?

[*C/CATF*]. I would guess he did from what I understand. I don't know all the details but that is what I concluded.

Mr. NUNN. So you wouldn't know who to believe in that situation knowing both Casey and North?

[*C/CATF*]. I wouldn't want to bet on it.

Mr. COHEN. If the Senator will yield. You talk about playing with words. He did say terminal cancer didn't he?

[*C/CATF*]. Yes. I wouldn't want to bet on it one way or another. I wouldn't want to speculate on it. I will say this from where I stand, I think there was a lot of truth in Colonel North's testimony. I never knew Colonel North to be an absolute liar, but I never took anything he said at face value because I knew that he was bombastic and embellished the record, and threw curves, speed balls and spit balls to get what he wanted, and I knew it, and I knew it well.

Mr. NUNN. Have you ever known anyone you would call an absolute liar?

[*C/CATF*]. No, not absolute. I do know that I have seen, I have seen I guess the way to put it, I have seen Colonel North play fast and lose with the facts. And I think the record will substantiate that. But, on the other hand, I believe that there is a, from where I sit, from the glimpses I saw of this thing as the train windows went by, there was a lot of fact in what he said too.

Mr. NUNN. A lot of what?

[*C/CATF*]. Fact.

Mr. NUNN. Did Colonel North ever give you false information?

[*C/CATF*]. I would assume he did.

Mr. NUNN. Can you tell us what that was? Do you recall? Do you know specific instances?

[*C/CATF*]. No. Let—the specifics aren't in my mind where he did give me false information but I know there were lots of times I suspected he was putting the spin on something that wasn't exactly the way it was. An attempt to influence the way things come out. He dropped names a lot.

Mr. NUNN. Let me just ask you one closing question. In this business of covert activities you are involved in it, we are in a different world, we see part of your world, not all of it, and I sometimes have great sympathy for the position I know you all find yourselves in dealing with covert activities, but how important is it in dealing with colleagues in covert areas—I am speaking of people in covert areas in the executive branch—how important is it to them?

[*C/CATF*]. You can't lie. You have got to believe each other. Believe me, in the world in which I live and work, you have got to have a moral compass, a moral anchor. It keeps you clearly defined on where you are going, what you are, and what is truth and what is lie. If you don't, you will go virtually go and crash. We live in a schizophrenic world, a world where we deal with the lie as a tool of the trade. We deal with deceit, deception, and manipulation in a positive and negative sense. You can't lose sight of your moral compass, or you will end up like Terpil, Wilson, Clines or those people who did lose sight of their moral compass.

Mr. NUNN. Colonel North started his testimony, before revealing he had misled people to the point, some would call it lies, that covert activity is a lie in itself and the clear implication from that was once you undertake covert activity, being a lie in itself, everything that flows from that it seems by implication is excusable. Do you agree with that philosophy?

[*C/CATF*]. I don't think covert activity is a lie, I think covert activity is a range; it is an operation undertaken to influence an event. You may deal in truth, in lie, coloration, wherever possible. As a standard operating procedure, we try to deal with truth. Truth is an easier thing to defend. We don't like to deal in lies, even disinformation because you get caught up in it. That doesn't mean we won't. But by and large our preference is to deal with truth. It is a deception. It is something that is designed to deceive, and frequently the recipient of the action or the viewer of the action, but to call it a lie in itself is only true in some regard—with regard to its deniability.

Mr. NUNN. Well, is it fair to say, and I know my time has expired, this is the last question, Mr. Chairman. Is it fair to say that those who deal with covert activities in the world of deception, in the world of secrets have to trust each other? Is that a fair assessment?

[*C/CATF*]. Absolutely. If you can't trust each other, you are dead in this world.

Chairman HAMILTON. The chair would like to point out Mr. George is waiting. I have three, or four I guess additional people on my side and the Senate has three.

I would like very much to get into Mr. George's testimony today if at all possible. So, I just advise members of that. Mr. Fascell.

Mr. FASCELL. Thank you Mr. Chairman. [*C/CATF*], as Central American Task Force Director, are you part of operations?

[*C/CATF*]. Yes, I did.

Mr. FASCELL. Did you serve on the RIG?

[*C/CATF*]. Yes I did.

Mr. FASCELL. Did Director Casey charge you or task you as Director of Central American Task Force to do anything with regard to the Nicaraguan operation at any time?

[*C/CATF*]. Oh, I am sure he did, yes. We would discuss it frequently. He would have me come to lunch and we would talk about it. And there were many times when he said [*C/CATF*] do this or do that or do the other thing, largely, in response to my recommendations. However, I can't remember a specific time when he said [*C/CATF*], I want you to do that. He generally deferred to me.

Mr. FASCELL. [*C/CATF*], as Director of the Central American Task Force, if you undertook a new operation, how did you get your orders?

[*C/CATF*]. We would——

Mr. FASCELL. Did Casey give you the order?

[*C/CATF*]. It depended on the breadth and sensitivity of the operation. If it was a recruitment operation or a continuation of an operation largely undertaken, I would make the decision. If it was another, at a higher level of sensitivity, Clair George would approve my action.

Mr. FASCELL. You didn't take any action on your own though?

[*C/CATF*]. I did.

Mr. **Fascell**. You have the authority?

[*C/CATF*]. Yes, I do.

Mr. **Fascell**. Without knowing what the task is?

[*C/CATF*]. I beg your pardon? I don't understand the question.

Mr. **Fascell**. Well, if you don't know what you are being tasked for, how can you take authority to do anything?

[*C/CATF*]. I think that by and large I thought I knew what I was being tasked to do.

Mr. **Fascell**. That is verbal; it is not in writing?

[*C/CATF*]. It is in the context of an approved policy papers that are very broad and very general, Finding scope papers——

Mr. **Fascell**. Did you have one with respect to Nicaragua?

[*C/CATF*]. Yes, we did.

Mr. **Fascell**. And when was it issued to you?

[*C/CATF*]. It was there when I came in the task force. And it was modified several times through as laws changed and as we went forward through the years.

I might add I initiated a lot of those things. I formulate the operations, and then they are approved and they come back to me.

Mr. **Fascell**. You had to send it up the line?

[*C/CATF*]. Yes. Level of sensitivity is the main deciding factor.

Mr. **Fascell**. Have we got those modifications and variations of task in this committee? Can anybody on the staff tell me? I would be curious anyway to see it.

When NSC took over the operations as distinguished from you running the operations, and you distanced yourself from detailed knowledge, as I understand your testimony, as part of compliance as CIA saw it, because CIA could not be directly or indirectly involved, that responsibility left you and went to North?

[*C/CATF*]. Never explicitly stated.

Mr. **Fascell**. No, but that is what happened, as a matter of fact?

[*C/CATF*]. I think that that is self-evident.

Mr. **Fascell**. You served on the RIG?

[*C/CATF*]. Yes.

Mr. **Fascell**. Why did you serve on the RIG when the burden was transferred? There wasn't anything you could do.

[*C/CATF*]. We still had statutory responsibility for providing intelligence to the RIG and also on the other side of the equation, [deleted].

Mr. **Fascell**. So basically it boiled down to by necessity a joint operation in effect, although you tried to distance yourself from it at the time when it became clear that the CIA should not be directly or indirectly involved?

[*C/CATF*]. I tried to keep myself out of it almost right from the beginning, very, very early on in the process. Then as time wore on, I think that the magnitude of it and the complexity of it sort of drove people together. There was a natural force, I think, that it was——

Mr. **Fascell**. But you had determined by then that this was an operation over which you had no control?

[*C/CATF*]. Absolutely, that is right.

[Deleted].

Mr. **Fascell**. Thank you very much.

Chairman INOUYE. Senator Heflin.

Mr. HEFLIN. In regards to the account Elliott Abrams wanted to set up and you testified about that earlier, was there any discussion with Mr. Abrams or any other official of the Government that you had that he had acquired an alternate bank account number from the Brunei donation to be deposited in?

[*C/CATF*]. No. And the first time I heard about that was in December, when everybody thought that I had provided him a Swiss bank account and was somehow involved in the whole Swiss funding mechanism, the first days of this investigation was untangling the facts and making sure everyone understood what I did.

The answer to your question is, no, I did not know that.

Mr. HEFLIN. Has Colonel North or Mr. Abrams or anyone given you any explanation as to why the bank account that you set up was not to be used?

[*C/CATF*]. I accept the statement that Elliott Abrams made in his testimony. At that time I said that the meeting in the Pentagon in November was part of the real tug of war going on between CIA and the State Department on the structure and management of the program, which at the time I didn't understand because we had had fairly close working procedures before then, but after Secretary Shultz's testimony, I understood it a bit more clearly. And I think Elliott's explanation there was absolutely plausible. He wanted to control it because he wanted to reduce CIA influence in Central America.

Mr. HEFLIN. Colonel North testified that when he left the Government on 25 November, that the aid that had been voted in October, part of the $100 million aid to the Contras, had not yet at that time got in the pipeline and been delivered to the Contras.

Would you give us an approximate date whenever that was starting to be received by the Contras?

[*C/CATF*]. The major impact of it wasn't felt until December.

Mr. HEFLIN. So now the humanitarian aid ended on March the 31st, but some was in the pipeline, and he testified and documentary evidence verified that he thought it would run out around the end of May.

I believe that you testified that you felt that—you had made the statement it would run out around the end of July. But from July to December, was there any evidence that you observed, learned about through documentary or voice or any other manner, either before or during this going on or afterwards, that would indicate where the humanitarian aid was coming from during that period?

[*C/CATF*]. Let me first correct the record. Ambassador Duemling and I calculated the aid out and we calculated that it would last through the end of June and perhaps a bit longer.

In fact, I think it ended about the first week of July. From that point forward, all of our evidence indicates that the Resistance had no money. They started to accumulate a debt [deleted].

It was very clear that they were not—I repeat—it was clear that they were not getting any money.

Mr. HEFLIN. All right. So now the Hakim-Secord enterprises, their account, as reviewed by our accountants, would indicate that during this period and during the entire period that they made any contribution, it was about $3.5 million, and according to their reviews of these accounts, none of that went to humanitarian aid, that theirs was largely transportation-related expenditures, and I believe you have told us that—about the airfield [deleted] and the fact that it really didn't play a part—I think our records would indicate that we have got something in the neighborhood of around $320,000 that was spent there.

Did you see any evidence other than transportation-related expenses that—expenditures that came from the Hakim-Secord enterprises?

[*C/CATF*]. The short answer is no, and let me point out that when I testified in front of the Senate committee on 9 December, they asked me, I think it was in my testimony, if not, they asked me afterwards how much money I really thought had gone to the Resistance forces during the time in question, and my guess was between $3 and $4 million, and was it all transportation. There is a possibility that there may have been some arms deliveries in that timeframe, but I'm almost certain that from July forward there were no deliveries of any type, either arms or food, consumables that went to the Resistance forces.

Mr. **Heflin**. According to the accounts that we have—they may not be fully complete, but they would reflect that moneys from foreign countries, moneys from the Miller-Channell operation, all moneys either went into the Hakim-Secord accounts or into Calero's accounts as far as we know from donations from third parties or from countries.

Do you know of any other funds that could have come from other sources that would have been of aid to the Contras during the year of 1986?

[*C/CATF*]. No, sir. As I testified, I didn't know where any of the moneys came from until this—revelations growing out of the proceedings after January, and I don't know of any others or how that money was handled.

Mr. **Heflin**. Did you see any evidence that would raise a suspicion that it would come from sources other than what I've enumerated? That is the foreign government's contributions, the Miller-Channell types, what Calero raised on his own and went through his bank accounts?

[*C/CATF*]. Yes, let me be specific, not with Calero or the FDN or people in the North, but with the remnants of ARDE, of Pastora we developed information that they were receiving money from cocaine trafficking.

Mr. **Heflin**. But not in the north——

[*C/CATF*]. No, we have looked at that as closely as I can. We see no indication that anybody in the north or anybody currently active in the Resistance has been involved in drug trafficking. We see considerable evidence, I think much of it has been talked about now in public, that people in and around Eden Pastora were in fact involved in cocaine running to the United States to raise revenue for their cause.

Mr. **Heflin**. Mr. Chairman, I have no further questions.

Chairman **Hamilton**. Mr. Boland is recognized for 10 minutes.

Mr. **Boland**. Thank you, Mr. Chairman.

I am a little distressed with one of the answers you gave to Senator Mitchell with respect to the fact that this is a very partisan issue, the issue of Contra aid, and it is of course and everyone is entitled to his own opinion on whether or not aid should have been supplied to the Contras and whether or not that was the best program for the administration to pursue.

I thought for a moment that I heard the voice of Admiral Poindexter, who said that one of the reasons for the great delay and one of the reasons for the problem in Central America with respect to the Contra aid was the Speaker, in that he dragged his feet in this particular area and on what ultimately led to the appropriation. I thought I would set the record straight at that time and I would like to set the record straight now.

I will put into the record the dates and the actions of the Congress from February 25th, when the President made his initial request for a 100 million dollars to the Congress and wound up with the CR that he signed on October 18th. The request came on February 25th, for the 100 million dollars. March 20th the request was defeated in the House 210 to 222. On March 27, the request was approved in the Senate 53 to 47. On April 16th, the second House vote on the supplemental of the President's request was tabled because apparently the leadership on the Republican side, I presume, didn't think it had the votes, so the Republicans voted for the Hamilton substitute of $27 million for humanitarian aid.

On June 25th the House approved a request in a Military Constructions appropriation bill, 221 to 209, a great victory for the administration. On August 13th, the Senate passed the Military Construction bill containing the Contra funds. August 14, recess begins and on September 8th, recess ends.

September 25th, the continuing resolution passed the House with Contra aid included. October 3d, the continuing resolution passed the Senate. October 15th, the continuing resolution, the conference agreement passed the House. October 16th, the continuing resolution conference agreement passed the Senate.

October 18th, the CR was signed by the President. Where do you find the Speaker dragging his feet or acting partisan politics in that particular litany, will you tell me?

[*C/CATF*]. Congressman Boland, I am not a legislative specialist. I was probably getting my information and my impressions from exactly the same sources that Admiral Poindexter was, and it grew out of the legislative meetings I attended at the White House and that was the impression that was at play there. If it is wrong, I stand corrected. I would have to review the record.

I would have to look at the agendas. It is not something I am an expert in and it was——

Mr. BOLAND. If you are going to make the charge that the action on this particular bill was prompted by politics because of the Speaker's position, then I think you ought to set the record straight for yourself, which you said you would do.

Let me also say I am a little distressed about the response you gave again to Senator Mitchell's questioning when you indicated that some people didn't like Casey. I happened to like him and I became the first chairman of the House Permanent Select Committee on Intelligence back in 1977. That was at a time when the CIA had some problems and President Carter wanted to get a separate committee on the House side as the Senate did a year before us for the purpose of making sure that not too many Members of the Congress would be privy to top secret information, and the House responded and that committee was set up.

I think it performed a valuable service to the entire intelligence community and as a matter of fact, Director Casey liked it so much that he awarded me the CIA Agency Seal Medallion. That doesn't go to too many people.

In addition to that, there was a commendation sent to me and I indicated this was a commendation sent to me because of the committee's action, not particularly my leadership, but the committee itself, from General Faurer, who was a Director of the National Security Agency, and another citation from General Tigue, who was the Director of the Defense Intelligence Agency, all these agencies more heavily involved in intelligence than any of the other intelligence agencies of the U.S. Government. So it comes to me as quite a surprise you would say Members didn't like Casey.

One thing Casey had, Casey had the ability to win the friendship of those with whom he conversed, didn't always win the battles, sometimes it was difficult to understand him.

In any event, I think I can say that he did have the respect of the Members of Congress and I think he did a lot for the Agency. As a matter of fact, the Agency was built up in dollars and in personnel heavier in those 7 years than it had ever been built up before. There was a question about whether or not we built up a human intelligence. It was built up considerably.

Bobby Inman was a director who complained about the fact that the analytical section of the intelligence community was weak, that was strengthened and this committee was congratulated. So it is rather disturbing that you would sit there and I wanted to make the record clear, because you keep insisting you want to make the record clear. I have one question for you and you have had a distinguished career in intelligence, we need people like you but sometimes the intelligence community is responsible for the problems it might have because it fails to communicate in the way it ought to on the Hill with committees that are responsible for oversight. Let me point to one instance where you and Elliott Abrams and Clair George appeared before the House Permanent Select Committee on Intelligence back in October of 1986, and this was reference to the Hasenfus shootdown. I think at that time, as I recall and the record indicates, that Clair George's response to a question with reference to the shootdown was that the CIA was not connected in any way with the Hasenfus operation. You knew, you knew at that time that the CIA was connected with the Hasenfus operation and you also knew that [deleted] was up to his neck [Castillo], in the operation of the Secord supply operation, did you not?

[*C/CATF*]. No, sir, that is incorrect. I knew that [Castillo], because the meeting in May 1986, in [deleted] had had some involvement. I thought we had cauterized that involvement and it had been put to rest. At that time I did not know the extent of [Castillo's] involvement. It came to my attention I believe the 23d of October, I brought it to the attention of my superiors, after it was investigated and our understanding was——

Mr. BOLAND. Let me interrupt you. You say it came to your attention in October 1986?

[*C/CATF*]. October 23, 1986, is the date, when I went to [deleted] with the interagency group and my discussions were as I said in the lobby of the hotel we were staying in, he told me about the telephone calls and I reported them back. Prior to that time my understanding of his involvement with the—direct involvement with the private benefactors was not well developed at all. As I testified I knew of a little glimpse in May, I did not know he had a KL-43 or that he was calling them on a regular and continuing basis. That was one point in testimony that is absolutely factual. That record was corrected in December of 1986, after the appropriate investigation was conducted——

Mr. BOLAND. You are familiar with the fact, are you not, that North has testified that you were familiar with the details of this operation. It was a military operation. I think you are also familiar with the fact that [Castillo] testified that you were aware of what he was doing and of course, the Secord operation could never have been successful without the complete cooperation of [Castillo] on the ground communicating with the Contras on communication equipment that was supplied, the KL-43 by the CIA or by Colonel North?

[*C/CATF*]. I am familiar with the testimony. Colonel North said in testimony, I am sure he must have known, I think he knew, and he qualified it. He was wrong.

Mr. BOLAND. When you found out about the operation did you inform any of your superiors in the CIA of your knowledge of this matter?

[*C/CATF*]. When I returned from [deleted] on the 23d or thereabouts of October, I reported what I had learned to [*C/LA*] who reported it to Clair George. As I testified before, that set in motion the wheels of investigation, the wheels of determining the facts. There is a memo in the record that lays those facts out dated 26 November, and so I did report them to my immediate supervisor, and he reported it to the supervisor above. It was reported to the Secretary of State that we may have a problem I think several days thereafter, and Elliott Abrams testified to that. I don't know whether Secretary Shultz did. So the answer to your question is yes, I did.

Mr. BOLAND. The red light is flashing. You are saved by the red light and I by the bell on the floor.

Chairman HAMILTON. Senator Cohen.

Mr. COHEN. At the conclusion of my questioning [*C/CATF*] had a conversation with me concerning my previous question about the relationship between Director Casey and Colonel North, and he related an event that I think would be helpful to have on the record. If you would care to repeat it for the committee?

[*C/CATF*]. Yes. In late November I believe it was of 1984, I received—I don't recall the precise date—I received a phone call at my home from Director Casey, very unusual for me at that point in time. I was eating dinner. He called up and said how are things going, I said you really want to know, boss? They are going terrible. We haven't got a policy, I don't know where we are going and I can't run the operations. He said see me in the morning.

I went up to see him and he said put down on paper for me a policy where you think we ought to go. I will get the policy, you run the operations. I can't remember whether I told Ollie about that conversation or whether Ollie told me about that conversation, but Ollie knew about that conversation and Ollie said give me a copy of the paper. I said Ollie, I can't do that. I've got to put it through the system. It has to go to the Director and Ollie said, I'll talk to the Director, and he talked to him.

The next day, or sometime afterwards, I got a call from the Director, I remember that one fairly clearly because it was at his EOB office. He said, give a copy of the paper to Ollie.

And that let me know that Ollie had a fairly close, direct relationship with the Director. I was a little bit surprised.

I brought a copy down, gave it to Ollie. Subsequently we put the paper through the system and it went up and I believe if you saw it today it is in, with all due modesty, it is about the policy we [deleted]. And that gave me some insights as I was developing, as I said, in December, in October, November, and December kind of the framework of where I was, kind of how Ollie fit in and helped me understand the dynamics I was living and working in.

Chairman INOUYE. Senator Rudman.

Mr. RUDMAN. Thank you.

This morning or early this afternoon at the conclusion of your testimony being questioned by Senator Cohen, I believe you stated you would never dream of altering intelligence because as an operations officer such an operation would damage, destroy the mission you were trying to carry out. Is that not correct?

[*C/CATF*]. That is correct. Cooking intelligence. You can't have intelligence on a false premise or you will have bad operations.

Mr. RUDMAN. I want to show you a memorandum of a draft trip report summarizing Director Casey's report in 1986. I believe you wrote that trip summary.

[*C/CATF*]. Yes.

Mr. RUDMAN. The Director, I assume, would use that report for preparing whatever he prepared for the President or others who relied on him.

[*C/CATF*]. Yes. He was going to use it as a talking points paper for whomever he talked with. I don't think he actually did, however.

Mr. RUDMAN. But that was the purpose?

[*C/CATF*]. That was the purpose, yes.

Mr. RUDMAN. Of course, you are aware for the past number of years, although some of the Central American members have made statements to the contrary, we have all been told privately by the Secretary of State, I remember by Bill Casey and by others, [deleted]. That is accurate, you are aware of that?

[*C/CATF*]. That is accurate. [Deleted].

Mr. RUDMAN. Let me send you a cable that was sent to you on November 25, 1986, from [deleted].

Now, that did not find itself into your trip summary. You were on the trip with the Director. This comes from [deleted] to you. It comes at a time where I assume it is the basis for the preparation of your intelligence report.

My question is very simple. Why is it that there is no mention [deleted] that it seems to me should have been included if whoever was going to get that briefing from the Director was to get an accurate briefing and evaluate it for however he wanted to evaluate it.

[*C/CATF*]. I would have to go back and check my notes and look at the context of that. I am, frankly, a little bit stunned about [deleted].

Mr. **Rudman**. I don't read it that way, [*C/CATF*].

[*C/CATF*]. I know you don't, and I don't read it that way.

Mr. **Rudman**. I don't read it for the very good reason—we have been told a lot of——

[*C/CATF*]. I don't read it that way either, and I am a little stunned by this.

Mr. **Rudman**. We have been told things, say one thing, mean something else. I have to assume we have a pretty good CIA, I always thought so.

[*C/CATF*]. You are exactly right. I don't deny that and that should have been put in that report. Why it is not there, I don't know.

Mr. **Rudman**. Let me go on—I think, there is your answer, you don't know and I sure don't know.

[*C/CATF*]. What I have got to do is try to go back and recollect all the notes and figure out why I did that.

Mr. **Rudman**. I would like to have an answer for the record on that.

[*C/CATF*]. I will get you one.

Mr. **Rudman**. I would particularly like to know why the memoranda prepared for the Director which was the basis for one of the intelligence estimates he would have sent probably to the President or someone at the National Security Council level, that raw intelligence was not put in there, it seems to me it ought to be there.

[*C/CATF*]. You are absolutely right, it ought to be there. That is not right.

Mr. **Rudman**. Let me go on to another related item. One of the things that I am sure, with the extraordinary record you have had in the Agency, it has to concern you as much as it concerns other people, is the whole feeling as expressed by the Secretary of State whenever you start mixing up the people who are doing the intelligence estimates and policymaking you get into kind of shaky ground. There is a handwritten note for a 9 January 1986, NSC briefing of Mr. Casey which read, and you were at the meeting, "The DCI wants to make the insurgency choice stark. Either we go all out to support them or they will go down the drain. DCI wants to add some detail on how we are going to strengthen the FDN."

Now that, of course, was during a period the CIA had a very limited role, according to the law that was then in effect. And I guess my question is: Would you agree with me that that note gives some credence to the fact that maybe there was some cooking of intelligence going on on which basis the President of the United States was making some choices?

[*C/CATF*]. Would you read it——

Mr. **McGinn**. Can we see a copy?

Mr. **Rudman**. I will send you mine.

Mr. **McGinn**. Thank you.

Mr. **Rudman**. If you look at all these documents we have, and we have hundreds of thousands of them, there are some very interesting documents. This committee is going to have a tough choice in deciding how many to publish because there are so many.

That is just one of a number I have had called to my attention I find most interesting to read in conjunction with the previous documents I have shown you.

[*C/CATF*]. I am still reeling from that one. I didn't understand that one.

Mr. RUDMAN. Niether did I and I thought I would ask you about it.

[*C/CATF*]. I think that Director Casey, who is the senior analyst, really believed that the choices were and are stark. I believe that the body of intelligence there is to support that, that particular statement, and it was the assessment, that is the assessment that as intelligence adviser to the President he wanted to make, he wanted to add details about how we could strengthen the FDN. It is important to know at that 9 January meeting there was a key decision taking place.

That was the meeting, as I recall, where the decisions were going to be made about how to go for the next aid package. That is the $100 million decision. That means what are we going to do with the $100 million of tasking me or somebody——

Mr. RUDMAN. The problem is there is a reference there—you make it so stark, either they get it or go down the drain. Maybe that is true, but the characterization, of course, when you read it in conjunction with other things we have heard makes one very nervous.

[Witness conferring with counsel.]

[*C/CATF*]. I don't know where these notes came from. I recall getting ready for that meeting, and I believe——

Mr. RUDMAN. They came from the Agency.

[*C/CATF*]. I beg your pardon. I can see they did. I really don't think from my direct knowledge the Director cooked intelligence on Central America. I think he presented it the way he saw it. He felt very strongly. I think the body of intelligence is there in the main to support what he had to say. I think the facts have spoken pretty well for themselves.

I am one of the key operational analysts, and I never heard the Director say anything about Central America I was personally uncomfortable with.

Mr. RUDMAN. Thank you, [*C/CATF*].

I asked those questions in relation to what they state on their face, but beyond that I have a very uneasy feeling about the character of the intelligence the President of the United States is receiving on this entire matter. For instance, we have very disturbing evidence, public evidence, the President was told as part of the rationalization for selling arms to Iran and approaching those moderates over there that Iran was in imminent danger of losing the war when that flew in the face of every CIA, [deleted], and NSC evaluation, and I just wonder if this wasn't more of it. Mr. Chairman, we can go off the record, can't we, for 30 seconds?

Chairman HAMILTON. Yes.

[Discussion off the record.]

Chairman HAMILTON. The chair recognizes Mr. McCollum for 10 minutes.

Mr. McCOLLUM. We are about to wind down. I want to clarify a couple other things, going through testimony all day long and listening today. Exhibit 41, that is the testimony that you gave regarding the courier coming down to visit when you were with Mr. Casey in Central America just before he gave his testimony, and you said there at one point about the fact the courier mentioned there was a problem with a diversion.

[*C/CATF*]. I said there is a possiblity of the money amounts are different.

Mr. McCOLLUM. That is what I wanted to clarify, is that, was it [deleted] the courier?

[*C/CATF*]. Yes, he was.

Mr. McCOLLUM. It is my understanding it was based on intelligence information that he had indicating that there was a difficulty.

[*C/CATF*]. He had heard something along the way, and I am not clear on this, but he had heard something along the way that caused him to be concerned about a discrepancy and the amount of money going into one account and the amount that was available or could be accounted for or had been accounted for by the Agency.

He made a passing comment to me as we went through the—at the airport.

Mr. McCOLLUM. He didn't use the word "conferring"?

[Witness conferring with counsel.]

[*C/CATF*]. No, he didn't use the word "conferring".

Mr. McCOLLUM. It was a remark to you not to Mr. Casey?

[*C/CATF*]. Yes, it was a private remark to me sort of at the mouth of a [deleted] as it was starting up, right as Casey was leaving the area.

Mr. McCOLLUM. I also want to put it in context. This is November of 1986, and it was in early October—we have had testimony in this committee—before Director Casey got the call from Mr. Furmark. As I recall, the Agency was concerned at that point in time with looking into all what Mr. Furmark may have said about the difference in the cost, too.

So from my prespective, I don't know from your knowledge you can concur, but from my perspective it could well be this remark by [deleted] was a followup on that information, that trail, not anything new.

[*C/CATF*]. It is possible. I don't know, I didn't know the details and, as I said, if you only got a little glimpse, something like that doesn't jump out at you right away and it doesn't mean that much to you. That is the way the world is, you have to have clues before you can see something.

Mr. McCOLLUM. Let me ask another area completely, drug trafficking questions. You were asked by Senator Heflin a minute ago about that. Is my understanding correct the only indication of any drug relations with the Contras or with any of our personnel at all was the question of a couple of people with Eden Pastora's group?

[*C/CATF*]. With regard to the Resistance forces; that is correct. It is not a couple people. It is a lot of people. And it is around Eden Pastora's group. I testified, at our request we went down to the intelligence committees and gave them a full briefing on that. We first reported it in November of 1984 to the Justice Department and subsequently periodically thereafter and the body of intelligence is fairly complete on it.

Mr. McCOLLUM. That is a primary reason we served our connection with Pastora or one of the factors?

[*C/CATF*]. One of about three or four.

Mr. McCOLLUM. I want to make sure you would concur with the findings of our investigation or on this particular matter. In a memo to Chairman Hamilton dated July 23, of this year, Robert Bermingham said in his findings for us, "Our investigation has not developed any corroboration of media-exploited allegations that U.S. Government condoned drug trafficking by Contra leaders or Contra organizations or that Contra leaders or organizations did, in fact, take part in such activity."

Now, there is a distinction, I suppose, between our involvement and the involvement of Contra leaders and the involvement of Contras. Now, does that statement that Mr. Bermingham made to us, his findings, comply with yours?

[*C/CATF*]. No, it does not. Would you read the last paragraph again?

Mr. McCOLLUM. It says "Our investigation has not developed any corroboration of media-exploited allegations that U.S. Government condoned drug trafficking by Contra leaders or Contra organizations or that Contra leaders or organizations did in fact take part in such activity."

[*C/CATF*]. That's accurate. CIA officers, U.S. Government officials, to the best of my knowledge, which I think is probably pretty complete, were at no time a party to, directly or indirectly, knowingly, narcotics activities; Resistance forces with whom we are currently dealing are not known in any way to have been involved with them. We investigated those who were—one had to leave the movement. [Deleted]. I do not have all of the details because [deleted], but there was a lot of cocaine trafficking around Eden Pastora.

Mr. McCOLLUM. Not around the FDN?

[*C/CATF*]. None around FDN, none around UNO, it was all [deleted] based.

Mr. McCOLLUM. I would like, Mr. Chairman, for the record, since I could only read a part of this, put this memorandum by our investigator into the record.

Chairman HAMILTON. Without objection, so ordered.

Mr. McCOLLUM. Also on the same general area, looking into things that relate to the Contras in somewhat less than favorable ways, I would like to follow up on something that Mr. Rodino asked you about. He briefly asked you your knowledge of the Justice Department officials looking into a matter in March of 1986, regarding perhaps the violation of the Neutrality Act or arms shipments, or whatever, and you indicated in your answers that you knew very little about it, just maybe the fact they went down to Costa Rica to look into it. Are you familiar with a man by the name of Jesus Garcia and his allegations there were some arms that went down to allegedly try to work an assassination of Ambassador Tambs?

[*C/CATF*]. I am aware of that. At one time, I was very aware of the details of it. Those details have faded, but, yes, I am aware of it and was very aware at one point in time.

Mr. McCollum. Has there been, from your knowledge and involvement, any corroboration of this, or is this just an allegation that stands out?

[*C/CATF*]. That's just made out of absolute whole cloth. I don't know why Jesus Garcia was getting information, particularly as he said CIA was behind it. That is the old theory, you do something and make someone respond to it. We didn't put much stock in that, and I still don't.

Mr. McCollum. Thank you very much on that point. I have one other thing that troubles me I want to raise with you.

You testified this morning that you were concerned very much at the time that we had the incident that five lower-lever employees of the CIA were tagged with the blame. You said you believed, I think I am correct, you made a special effort to set up steps so if something happened with subordinates under your watch, under you, you and not your subordinates would take the responsibility, the beating from Congress, the heat, or whatever. I believe you said words to that effect this morning, am I correct?

[*C/CATF*]. Those were my words, and I would like to repeat them. I, working with Clair George, purposely structured the situation so the responsibility and liability accrued to me for whatever happened.

Mr. McCollum. I am concerned, in light of that, in terms of the testimony we had from [Castillo], and I want to give you an opportunity to respond to an impression that I don't think I am the only one to have got during his testimony before us several weeks ago now.

I got the feeling that you and his other superiors didn't take any of the blame for what he did. I got the feeling that he was kind of left to hang out to dry, at least that is the impression that came across listening to his testimony at the time and putting all of the pieces together we had then with regard to his involvement. I don't think you have really clarified that too much for us today.

We have gone all around the circle on that. [Castillo] came along the line. We heard what he said. I think he is a very patriotic kind of guy, I personally liked him. But the idea he was out there alone is still an idea that is in my mind, and I would like to have your thoughts on that.

[*C/CATF*]. [Castillo] was in the most difficult position of any of us, he was in the nutcracker as well as me, as well as others. My position was difficult, but not as difficult as his. He was in the squeeze dealing with people and operations on the ground.

His perception of where he was, his authority, is different from mine. As I said before, I am not going to criticize [Castillo], I am not going to try to impeach what it is he had to say. I can tell you the facts. He was under instructions, if you will, from me, from CIA, to put order in the political structure in the South, and then as the laws changed, and you can see us kind of leaning into it in the traffic in the fall of 1985, and really getting into it after the law changed in December, December and January of 1986, [deleted].

He was also to do what he could within the context of the law to facilitate the operations of the Southern Front. He had the same guidance, the same framework as my [deleted], who had a better structure to deal with. [Castillo] made some decisions there on his own. Take the KL-43, that was his decision. The involvement in the airfield, that was his decision. I didn't know he was involved in that airfield until I read some of Oliver North's notes, I didn't know that much about it.

The direct contact with the private benefactors [Castillo] did under his own volition, and finally I think, as I read into the record very clearly, after it was I think pretty clear to [Castillo] after the May meetings he ought to get away from this thing, for some reason he came back into it in June of 1986, and he made those decisions himself based on the realities as he saw them at the time.

What mental processes he went through to think I knew everything about them, had approved them and given him the famous wink or nod, I don't really know.

Mr. McCollum. I don't have them in front of me to point out, but I remember distinctly, because I had the lead on our side on the minority part of the examination of [Castillo], there were a series of cables, messages, that went back that got no response. As I recall, he relied on the fact nobody, you or anyone else, said "Don't do this." He put them in there. It looks to me like he did. What do you have to say on that?

[*C/CATF*]. I read into the record this morning some exchanges that we sent out and a KL-43 message between I think Colonel Dutton and General Secord which made it pretty clear [Castillo] understood he had to get away from that and that he got back involved with it. And I don't want to impeach [Castillo]. I don't want to say sort of that it is all his fault. He was in a difficult situation. I think that he is going through a little rationalization along the way and is seeing things through his glasses. I think if there is a difficulty organizationally with [Castillo], it's not so much what he did, it's that when confronted with multiple chances to tell his story, he didn't tell it along the way quite completely.

I still am not at all sure, I think the organization has been—it's been very hard on [Castillo], but think it's also been pretty fair with him in terms that he is still there, and I think Judge Webster has been quite fair in his treatment of him, and I have a lot of compassion for him.

Mr. McCollum. I am not going to beat a dead horse with it, but I want to point out he did send some cable traffic back after the fact when he had stopped the first time using this, and he used it for some drops and got no response back.

At any rate, we will leave it at that, but it seemed to me and still does, despite his hope he not be there, he was left there to hang out.

Chairman Hamilton. The chair would note for the record Mr. Stokes has to be on the floor with relation to a HHS appropriations bill, so he is not able to follow up as he had hoped. It may be, [*C/CATF*], he will submit some questions to you in writing, if that is all right, and the chair yields time to Senator Cohen.

Ms. McGinn. Mr. Chairman, if I may, with respect to the questions that have been asked this afternoon about the courier or individual that came down from CIA headquarters to Central America and had a discusion with [*C/CATF*] in November of 1986, I am not trying to add witnesses to the list here this afternoon, but I did want to inform you all that that person is [deleted], and he is accompanying Mr. George this afternoon or tomorrow for his testimony should you care to discuss directly with him that conversation.

Chairman HAMILTON. Thank you very much, Counsel.

Senator Cohen is recognized.

Mr. COHEN. Just for one minute to followup on what Congressman McCollum was pursuing, it is something that has been troubling me a bit, because you indicated [Castillo] went over the edge, you indicated he was caught in the nutcracker, as was you. I want to refer back to his deposition. [Castillo] has testified that he raised the legality of the direct passage of information to private benefactors, that an alternative plan was discussed at [deleted] in May of 1986, with you and [*C/LA*]. The idea to train a UNO communicator was scrapped on orders from you because of a fear it might get into the papers and that he then continued to pass the information directly.

Now, I raise that—and that is his deposition, pages 72 to 76—I raise that in connection with the statement that you made today concerning the so-called CYA memo, as I believe Senator Nunn characterized it during the open sessions, and that is dated July 12, 1986. I am just going to read it quickly for the record, that portion.

It says: "With the House passage of appropriated assistance to the Nicaraguan Resistance, we have taken a second look at the common link. To date we have maintained our distance as to private benefactors providing assistance to the Resistance and have briefed Congress we do not have any relationship with the PBs."

You go on to say, "We don't want to get involved with them because it might be misconstrued." It was following that apparently that [Castillo] went out and continued the operation which he said, "I've got a problem, I am caught in a nutcracker," to use your phrase, "I am over the edge, I want to get back, here is a proposal." He sends memos and cables and gets back one saying, "I am sorry, we maintained our distance, and let's keep operating as we have been operating."

I think that is the context in which Senator Nunn says, "It looks to me like this is a CYA cable saying, '[Castillo], don't do it differently, continue doing what you are doing.' " I wonder if you would clarify that?

[*C/CATF*]. I don't think that is at all what was meant. I think I read into the record this morning the KL-43 message, as I said, where [Castillo] was not going to be able to do this anymore. It was our intention, as I said, my compliance officer came to me and said, "If you do that, you're over the line, you can't do it." It was intended by me, once again, to either stop or to get that buffer in between you so that you are not right in the middle of it. And that was the purpose for that cable. That is what it is meant to have said. If there is ambiguity in it——

Mr. COHEN. He came up with a buffer?

[*C/CATF*]. No, the buffer, as I said before, was to put the Resistance leadership in the middle. He didn't need to talk to them, he could have passed anything he needed to pass through Resistance leadership, and they could have passed it just as was done in the FDN.

For some reason, he didn't do it that way, maybe he didn't have trust and confidence in the structure. He made that decision, and that's the way he did it. I really was not aware he was doing that.

Mr. COHEN. Thank you.

Mr. SARBANES. Mr. Chairman.

Chairman HAMILTON. Senator Sarbanes.

Mr. SARBANES. Could we identify for the record the people with the Agency who are here with [*C/CATF*] that have been on occasion counseling him?

[Deleted]. I'm the attorney that has been in the Central American Task Force providing legal guidance to [*C/CATF*] since June, 1985. Before that time, there was another attorney.

Mr. RIZZO. I'm John Rizzo, Deputy Director of Congressional Affairs. I have been trying to coordinate these matters with the committee.

Chairman HAMILTON. Without objection, we will put into the record exhibits [*C/CATF*]-1 through -47.

The chair requests permission to release [*C/CATF*] testimony after it has been declassified. Is there objection? If not, it is so ordered. Senator Inouye.

[*C/CATF*]. I have two statements I would like to make.

Chairman HAMILTON. We will come to you in just a moment.

All right, [*C/CATF*].

[*C/CATF*]. I go back to a question that Senator Cohen asked me this morning, and I have run it through my head a couple of times during the luncheon break, and I want to put a couple of things on the record that came to my mind, because I want to leave here feeling as good as I can feel about this testimony. I have to collect my thoughts here because the thoughts have gone out of my head right now. These things flash into my mind and they flash out of my mind.

You asked me [deleted].

Mr. COHEN. I think it was Congressman Stokes who asked you that question.

[*C/CATF*]. I didn't know who asked him—I've been trying to figure these things out and I don't want someone to say "aha" later on. [Deleted].

And I said I don't want to get involved in those things, and I just stiffed him. And stiffed him hard, because that was not the kind of thing—it just smacked of [deleted] and everything that would bust congressional consensus that we had set up, and I stopped it and didn't pursue it at all. That popped into my mind after that question was asked, and I was racking my brain going through this catharsis to get it all out.

Chairman HAMILTON. Mr. Rodino.

Mr. RODINO. Thank you, Mr. Chairman.

For clarification, [*C/CATF*], a while ago when I addressed a question to you concerning what was supposed to have been a conversation between Mr. Casey and the courier November 19th, I think we identified the date, and you stated in answer to my question that you didn't believe that it was Director Casey whom the courier addressed when he said there may be a problem on diversion, and as a matter of fact, my recollection is, and this was only a little bit ago, that you said that Director Casey was on the airplane and so the conversation was with you rather than Mr. Casey.

Well, I'm going to refer you, [*C/CATF*], to your interview before the Tower Board, and that interview, in answer to a question from Senator Muskie, he says, "I take it from your opening statement that you had no knowledge at all of any diversion of funds from the Iran operation." And [*C/CATF*]: "No, I didn't know that even arms were being sold to Iran until it broke in the newspapers and I didn't know that there was even a question of diversion of funds until sometime—well, it was before it was announced. I forget when it was."

And then you go on, "The Director and I took a trip to Central America just before he came back to testify before the committees, to the Senate, and a courier came down who was coming down to meet with him with his briefs and such so he could do his work on the airplane and get ready for his testimony, and the courier said to him, you know, there may be a problem on diversion, and that was 8 or 10 days before it broke in the newspapers."

Now, according to this Tower Board interview, the conversation was between the courier, whom you identified as [deleted], and Director Casey. Now, what is correct——

[*C/CATF*]. That report is wrong. I never reviewed that transcript. It was to me in a private conversation, and I have no reason to think he ever raised it with the Director.

Mr. RODINO. Then the Tower Board interview is incorrect?

[*C/CATF*]. I never reviewed the transcript.

Mr. RODINO. I just read it to you.

[*C/CATF*]. Since it was done, I didn't review it. If I said that, I misspoke myself because that is not the way it happened.

I have tried very hard to tell everything the way it happened. That is not the way it happened. It was a private conversation out on the side of the tarmac and it was not to the Director, and that is not correct.

If I said that, I misspoke myself, because what I have said today is the way I recall it happened, and I'm not covering up for the Director.

Mr. RODINO. Thank you very much.

Chairman HAMILTON. Senator Inouye.

Chairman INOUYE. Mr. Chairman, I wish to advise the panel that yesterday I received a letter from Mr. Ghorbanifar, an 11-page letter, dated July 31, 1987, in which he responded to statements made by other witnesses. I wish to make this part of the record under the following conditions, that it not be released to the public unless and until Mr. Ghorbanifar is willing to respond to questions under oath or to submit this letter in affidavit form. I make that request.

Chairman HAMILTON. Without objection, so ordered.

[*C/CATF*], I think we have now come to the end of your testimony. We appreciate very, very much your testimony. It has been most useful to the members of the committee, and you are excused, sir.

[*C/CATF*]. Thank you very much.

Chairman **Hamilton**. We will have a 10-minute recess while the books are prepared and the next witness is brought in.

(Brief recess.)

Chairman **Hamilton**. The Select Committees will come to order, and the witness now is Mr. Clair George.

Mr. George, would you stand, please, and raise your hand?

[Witness sworn.]

## TESTIMONY OF CLAIR GEORGE, DEPUTY DIRECTOR FOR OPERATIONS, CIA

Chairman **Hamilton**. I am advised that the House is voting so House Members will be absent for just a few minutes, and the chair recognizes Mr. Kerr to begin questions.

Mr. **Kerr**. Thank you, Mr Chairman.

Mr. **Kerr**. Good afternoon, Mr. George.

Mr. **George**. Good afternoon.

Mr. **Kerr**. Let's start with a brief biographical sketch. You are Deputy Director for Operations of the CIA at the present time?

Mr. **George**. That is correct.

Mr. **Kerr**. You have held that position since July of 1984?

Mr. **George**. One July 1984.

Mr. **Kerr**. Your responsibilities with the CIA began in the mid-'50s, is that correct?

Mr. **George**. I joined CIA in October, 1955.

Mr. **Kerr**. During the course of your tenure with the Agency, you have served primarily in the Operations Directorate?

Mr. **George**. I have served exclusively in the Operations Directorate. Of my 32 years, approximately 20 have been abroad.

[Deleted].

Mr. **Kerr**. And then you served as ADDO under Max Hugel, is that correct?

Mr. **George**. Yes. I was one of two ADDOs under Max Hugel, and when Mr. Hugel left, I was the one ADDO who was left.

Mr. **Kerr**. Then in 1983, you took on your responsibilities as Director of the Office of Legislative Liaison?

Mr. **George**. I served as Director of the Legislative Liaison, Congresional Affairs, from the spring of 1983, through the summer of 1984.

Mr. **Kerr**. And then in 1984, you took on your duties as DDO?

Mr. **George**. That is correct.

Mr. **Kerr**. With regard to the responsibilities of the DDO, can you give us a description of what that job entails?

Mr. **George**. I'm Director of Overseas Clandestine Operations for the U.S. Government for the Central Intelligence Agency reporting directly to the Deputy Director and to the Director of CIA.

Mr. **Kerr**. Mr. George, there are several areas I want to go into with you. The first area I would like to touch on is an area relating to the Operations Directorate's contact with and knowledge of the activities of Mr. Ghorbanifar in the period 1985 until January of 1986, when the Finding came down and you all received a formal assignment to support the NSC.

Let me start with the knowledge the directorate had. The directorate, prior to 1985, had had dealings with Mr. Ghorbanifar; is that correct?

Mr. GEORGE. If I recall from recent study on this, counsel, we had our first contacts with Mr. Ghorbanifar in the year 1979, after he came out of Iran at the time the Shah fell.

Mr. KERR. And those contacts had resulted in what is called a burn notice that went out in July of 1984?

Mr. GEORGE. It was a long, complicated relationship. [Deleted].

We found him basically, to put it as simply as I can, uncontrolled. His information was unverifiable. In many cases we could prove it was not true and we put out, using our jargon correctly, and I'm sorry—1983, a burn notice, meaning, in our language, we send a notice around the world that the individual that we are speaking about should not be dealt with because he's dishonest and untruthful.

Mr. KERR. I believe the date of that first notice was approximately July 25, 1984. That kind of a notice is not an everyday occurrence, I take it?

Mr. GEORGE. It is a very rare occurrence. Our business is to deal with a very strange variety of people. If we only served and dealt with the honest and fair, we would be out of business fairly fast. You have to work at it pretty hard, counsel, to get a burn notice out of the Operations Directorate at the CIA.

Mr. KERR. And one of the purposes of a burn notice is essentially to warn off others that the person that is the subject of the burn notice can cause them difficulty?

Mr. GEORGE. Yes, [deleted]. I don't know, I'm sure the record will show whether we told others, but what we do is we send a telegram, cables [deleted] abroad, and we say if a man named Ghorbanifar strolls in, here is his size, weight, coloring and so on, and he's a liar.

Mr. KERR. That also gets circulated through the U.S. Government?

Mr. GEORGE. I can't answer that. I assume we would certainly share it with our friends in the State Department and others in the foreign affairs world.

Mr. KERR. There is a reference in the Agency [deleted] file to a repeat of the burn notice that occurred in March, 1985. Are you familiar with that event?

Mr. GEORGE. A second burn notice?

Mr. KERR. Yes.

Mr. GEORGE. I'm not, counsel.

Mr. KERR. Let me take you to the summer of 1985, and essentially I'm going to be looking at documents in this area that are found at exhibits 22 through 58, and there's another exhibit at 76 touching on some of these matters.

Let me take you to the summer of 1985, and set the stage. We have as exhibit 22, an Agency document that reflects a contact of Director Casey by John Shaheen, who is a former client of Director Casey's and friend and business associate, and Mr. Shaheen in that memorandum relates a contact he had from Cyrus Hashemi, an Iranian expatriate who was at that time a fugitive from U.S. indictment. Shaheen relates that the Iranians may be prepared to arrange for the release of hostages and Mr. Hashemi is prepared to intervene in those matters if he gets a nolle prosequi from his pending prosecution.

Can you tell me, using that as a starting point, what the Operations Directorate was doing in the June, July, August, 1985, period with regard to this Shaheen contact and the Hashemi connection as it related back to Ghorbanifar?

Mr. GEORGE. Yes. John Shaheen was described to me as a personal business acquaintance of Director Casey from New York City. [Deleted].

Now, to this issue, Shaheen, if I understand it and I've reviewed it, told Bill Casey that his friend or acquaintance, Mr. Cyrus Hashemi, whom I don't know of, had fled the country after an indictment for, if I understand, arms sales—correct me if I'm wrong on that. Mr. Hashemi had a record of being on the edge of the law, the international arms market.

All that aside, Mr. Hashemi said that he could produce [deleted], and please correct me if I'm wrong, two very significant Iranian officials who could help release the hostages. This is at a moment, and I'm sure we will get into this as time goes by, and I think all of you heard me say and other of my colleagues, that within the limits of the law, I try not to leave any stone unturned to look for any hostage.

In a nutshell, Mr. Hashemi said if he could produce some Iranians who could in turn release the hostages would the United States of America give him a nolle prosequi.

We went to the State Department and we went to the Department of Justice and we asked both of those agencies what they might know about Mr. Hashemi, what was the charge, what was the indictment, and felt them out on what their feeling would be if there were to be an individual under indictment for illegal arms activity who could actually get the American hostages out of Beirut. There is a series of papers on our discussions with these people, and there was an agreement informally, if Mr. Hashemi did bring [deleted] I guess senior Iranian officials who in turn would be able to help us release the hostages, the Department of Justice, the Department of State would consider such a possibility.

Three things happened. The first thing happened, which happens in our business so often, is that he did not produce the Iranians, they never showed up, so it was never a question of what can we do about them.

Secondly, we found out at some point, counsel, and I don't know when, and I couldn't find, I was told this earlier and I couldn't find the paper and maybe you have it here, that the famous Iranians he was to bring to [deleted] who were to release the hostages were none other than Mr. Ghorbanifar and [deleted] who became only too famous in the fall. The entire affair drifted off, and if I recall correctly, there was some contact with Mr. Hashemi's American lawyer, Mr. Elliott Richardson, who had made several contacts with the CIA. We told him to get in touch with the Department of Justice and I believe that sometime in 1986, this affair, having died out, Mr. Hashemi died.

Mr. KERR. Let me just follow up a couple things with you. The assignment of following up was given at the outset to [deleted], is that correct?

Mr. GEORGE. That's correct.

Mr. KERR. [Deleted] role at that time was what?

Mr. GEORGE. In early, I don't have the dates correct and exact, but in early 1985, yes, all through 1985, [deleted] was the Deputy Director of my Near East Division which is the Geographic Operating Division that handles the Near East area and was as such the immediate senior supervisor of the hostage problem.

Mr. KERR. With regard to who gave [deleted] his assignment, would that have come by the way of [deleted], the Director——

Mr. GEORGE. Well, this was one of these affairs, which is not unusual in our agency and has gone back to when I joined under Allen Dulles, a variety of supervisors are in touch with a variety of men down the ladder, we are as you all know a rather busy organization and there is not a sort of bureaucratic chain of events. This was a Bill Casey contact. Whether he called [deleted] or he called me I cannot remember, but I'm sure at some point we probably put Casey in touch with [deleted], and so all of us would have been involved in it.

Mr. KERR. There are a series of memoranda that we have as the exhibit here from [deleted]. Would you have been contemporaneously reviewing those memoranda?

Mr. GEORGE. Those memoranda if they are prepared by [deleted] and are routed, we mean sent through the bureaucratic mechanism to the Director of Central Intelligence, would normally go through me.

Mr. KERR. So you would have been in all likelihood conversant with this matter as it was going on, is that correct?

Mr. GEORGE. Yes.

To add a point here, and I found this on several of my depositions with others and with you, just because a paper went through my office which hundreds do a day, I may not know as much about it as I should. I'm not apologizing. It's just the problems of paperwork.

Mr. KERR. With regard to Director Casey and what Director Casey was told, to your knowledge was Director Casey advised of the Agency's past history of Mr. Ghorbanifar?

Mr. GEORGE. Ghorbanifar really wasn't the issue. The issue was Hashemi. If Hashemi would have produced Ghorbanifar and Ghorbanifar would have produced all of the hostages, it probably would have been one of the snappiest little operations we ever ran. The truth is he never produced Mr. Ghorbanifar so the issue of us judging Ghorbanifar, counsel, was certainly, never brought up.

The first thing was Hashemi produce some, excuse me, produce some Iranian bodies. Let's see what you have got. If he had shown up with Ghorbanifar I think probably we would have said—we have moved, see, we would have moved this thing, even with the burn notice, we might say we don't believe a word you say but please release the hostages. But I'm guessing now.

Mr. KERR. Let me try to focus your recollection. The documents indicate that Hashemi was given the word while [deleted] would meet with the Iranians they didn't want to meet only with Ghorbanifar, they wanted to have [deleted] present as well. That suggests——

Mr. **George**. That would suggest—if Ghorbanifar would have come alone someone would have said, hey, fellow, come on, let's produce some real people.

Mr. **Kerr**. What I'm driving at, I'm trying to get a sense of what his subordinates would have told Director Casey. Would they have advised Director Casey——

Mr. **George**. In the summer of 1985, if we would have the paper that said Manucher Ghorbanifar was involved in anything, and it was of such interest that the Director of Central Intelligence was involved in it, I would have assured him of the knowledge that he was dealing with a person with whom we had a burn notice. That is a critical decision for us in dealing with foreigners.

Mr. **Kerr**. If you want to follow the instruction on what was to be done with Ghorbanifar as opposed to [deleted] is alluded to in exhibit 26. In terms of pursuing the chronology a bit further, apparently there are additional contacts with Mr. Richardson in mid-October—excuse me, mid-August, August 16, 1985, suggesting that the matter was continuing into the early fall. Do you have a recollection based on your review of this matter on when you all gave up so to speak on the Hashemi initiative?

Mr. **George**. I reviewed these very briefly. It was my belief that Mr. Richardson had obtained [deleted] name, which was a mistake, but such things happen, Mr. Richardson was calling [deleted] on behalf of Hashemi and we decided Hashemi had nothing to sell. It is merely Mr. Richardson is a prominent American, we are not going to hang up in his ear. It was more the ball is in your client's court is something I believe I read.

Mr. **Kerr**. Do you have any knowledge today of the extent to which Director Casey took information about this approach to the National Security Adviser?

Mr. **George**. I do not.

Mr. **Kerr**. So you do not know for example if Mr. McFarlane even knew these discussions were going on in June, July, August 1985?

Mr. **George**. Knowing—I don't, but knowing Bill Casey, I would think he might have.

Mr. **Kerr**. Taking that a step further, given your familiarity with Director Casey's approach, is it likely that Casey would have advised McFarlane of the concerns that the Agency had for Mr. Manucher Ghorbanifar?

Mr. **George**. Yes.

Mr. **Kerr**. We have——

Mr. **George**. If all those things had happened.

Mr. **Kerr**. Yes, sir, I understand.

One point of interest is Secretary Shultz' recollection, as he has previously testified to, that he knew about Manucher Ghorbanifar and the Agency's concerns about Ghorbanifar in July of 1985. So that was something that would have been shared by CIA with State at the time?

Mr. **George**. I know we shared it with State because Secretary Armacost—with whom I do a great deal of business, is sort of my normal contact at State Department, at some point last fall, in

November of 1986, as this thing unwound, Mike said, hey, give me a copy of that burn notice I know is out on Ghorbanifar. When Mike first learned that I don't know, but, yes, I would think if there was an operation that involved Manucher Ghorbanifar and dealt with the hostages, we would have told Casey and Casey, if he were to urge higher ups, then he or his equals would have told them.

Mr. KERR. Let me pursue the thought a bit further. Do you have any recall or knowledge from another source that the Agency was made privy to the conversations Mr. Ledeen was having in the period of July, August, 1985, with Manucher Ghorbanifar?

Mr. GEORGE. I cannot speak for Mr. Casey and I cannot speak for the Deputy Director, Mr. McMahon. But in my directorate there was no one I knew who knew anything about that.

Mr. KERR. So in terms of your understanding of what was going on in your directorate, [deleted] was not apprised there were discussions going on by other American officials with Manucher Ghorbanifar during the same period of time?

Mr. GEORGE. Well, you will take me there, but let me put it, frame it as I see it. Ghorbanifar was the agent of Israel. It was the Government of Israel that said, we have got one hot cookie here that can help us make contacts with Iran, release the hostages. Michael Ledeen, and I think as we walk through Ghorbanifar, seems to be playing a variety of roles in this. But back to your question, and I'm sure we'll get through all of this, in the summer of 1985, when Cyrus Hashemi had his scheme which we know involved Ghorbanifar, I cannot believe anyone in my directorate, knew about the Ledeen-Israel-Ghorbanifar connection.

Mr. KERR. With regard to what you did know during that period of time, it appears from the documents that we have that there was an effort to try to identify [deleted] and to track his travel going through September of 1985, from the documents that we have.

Mr. GEORGE. There was a document that I have seen somewhere in which we have asked [deleted], to track [deleted] travels. I do not know why.

Mr. KERR. I think you are referring to exhibit 33, which is a cable to [deleted].

Mr. GEORGE. I have asked and I will—because there is a reference there as you see, [deleted]. Why did we ask that, and I would like that checked out, please. I've already asked.

Mr. KERR. But in terms of what the Agency was doing, this document certainly indicates that in this period of time the Operations Directorate was, A, keeping an eye on Hashemi and Ghorbanifar by virtue of the conversations in August and now, B, by virtue of this cable keeping track of the travel of [deleted] during this period.

Mr. GEORGE. For some reason which we certainly will be able to trace down when we trace back the reference on these cables.

Mr. KERR. Now, we know from other testimony and documents that have been put before the committee that the Israeli shipment of TOW missiles, the first shipment of TOW missiles occurred the last of August, the first of September and that there was then a subsequent shipment of 408 TOW missiles in mid-September of 1985.

Do you recall——

Mr. GEORGE. Excuse me. Two Israeli shipments in September?

Mr. KERR. One begins on August 30, but, yes——

Mr. GEORGE. Two different loads? I should know that but I don't.

Mr. KERR. In terms of what you all know we have received information from [deleted] there was following of cable traffic that allowed you to at least have a suspicion.

Mr. GEORGE. There were newspaper reports in the Israeli press. A plane had crash landed at the Jerusalem airport. [Deleted].

There were signs, blips in the air in the fall of 1985 something was going on between Israel and Iran.

Mr. KERR. If I understand your testimony, in terms of knowing of a relationship between Manucher Ghorbanifar, [deleted] and that knowledge you did not have that?

Mr. GEORGE. No, nor do I believe anyone in my directorate would have had that.

Mr. KERR. Focusing on the September period, you are familiar with Mr. Allen's testimony he received an assignment he places about September 9, another document places it September 12, to begin [deleted] for Colonel North?

Mr. GEORGE. Yes.

Mr. KERR. He also indicated that you would have been a recipient of that material. Do you recall when you received it?

Mr. GEORGE. I disagree with Mr. Allen. I'm sure he may believe that he sent it to me. I think throughout this entire affair Mr. Allen, who was National Intelligence Officer for Counterterrorism, who was not under my direction, forgive me for saying it again, the intelligence officer on counterterrorism reports directly, in theory, to the Director. In fact, I'm told Mr. Allen was told by Colonel North at the time this took place he was not to share this material with members of the Operations Directorate.

Mr. KERR. And in terms of having a recollection, you yourself having seen [deleted] in this period?

Mr. GEORGE. I could have. My [deleted] problem is that I get it confused with a great series of [deleted] that came through after the Finding when we were just finding with the endless [deleted] Ghorbanifar [deleted]. I have a belief, counsel, that in the fall of 1985, I saw some type [deleted]. What, I don't know.

Mr. KERR. Would you place that later than September of 1985?

Mr. GEORGE. I cannot, sir.

Mr. KERR. Do you have any recollection of [deleted] material in the fall of 1985 being shared with the Near East Division, [deleted] and [deleted]?

Mr. GEORGE. No. I have again confidence they would have told me.

Mr. KERR. With regard to what it was that you knew at that time and the role Mr. Allen played, let me focus on that for just a moment. With regard to collecting [deleted] in the Operations Directorate, that is not something I would assume is customarily done by an NIO?

Mr. GEORGE. [Deleted] in its generic sense is handled by Directorate of Intelligence. [Deleted]. It would not be totally out of the ordinary for a national intelligence officer to be charged to liaise [deleted].

Mr. **Kerr**. Let me pursue the thought a bit further. Can you give me an understanding, if you have one, of why it was that Colonel North in September of 1985, looked to NIO Allen for this type of assistance as opposed to going through the Agency to its Operations Directorate and asking you all to do that?

Mr. **George**. He didn't want us to know about it.

Mr. **Kerr**. Do you have any understanding today as to why he didn't want you to know about it?

Mr. **George**. I think they were going to run an operation on their own.

Mr. **Kerr**. When you use the term "they," you are referring to the NSC?

Mr. **George**. I guess so. I would say that. But it is based on an awful lot of television and newspapers over the last 3 months.

Mr. **Kerr**. Let me focus on Director Casey for a moment. Mr. Allen's testimony is while he didn't tell Director Casey the day he got the assignment he did have a session with Director Casey within the matter of a day or two after the assignment to go over [deleted]. Did Director Casey apprise you in September of 1985, that Mr. Allen was engaged in this kind of [deleted] effort [deleted]?

Mr. **George**. No, he did not.

Mr. **Kerr**. When did you learn, if you can recall, that Mr. Allen was engaged in this type of task?

Mr. **George**. The unpeeling of the onion, of the relationships, the complicated relationships that are involved in the Iranian caper came in degrees and degrees and degrees, and we will discuss them I'm sure, the famous flight, when did we know arms were aboard it, when Michael Ledeen approached us independently of the National Security Council in promoting Mr. Ghorbanifar; my first recollection of [deleted] that was suddenly being made available to me with great regularity, and I knew the purpose, although I will testify I didn't follow it because there was so damn much of it I couldn't, was after the Finding. The Finding formalized my participation in it.

Mr. **Kerr**. This strikes me as something of an incongruity here that I wanted to explore with you. The Director turned to the Operations Directorate when he had a Hashemi problem in the fall of 1985. The Director apparently turned to Mr. Allen on a project Colonel North was working on without telling the Operations Directorate in the fall of 1985, again ultimately as we now know relating to Mr. Ghorbanifar. Was there anything that occurred with regard to the way you all handled the Hashemi matter that left a bad taste or problems between you all and the Director, to your knowledge?

Mr. **George**. The issue is we never had a fighting chance on the Ghorbanifar—I'm jumping to my conclusion. We never had a fighting chance on Ghorbanifar. It wasn't the Hashemi case or it wasn't Ledeen indeed sort of saying this guy is really sensational, he can get a lot of terrorism information.

Whether Casey knew it or not, our reaction was going to be this won't work, but the White House was already working it. In other words, we never played with a full deck. I'm running around saying, hey, here is my burn notice, this guy is a loser, and, Christ, he is working with the Government of Israel, he has already arranged a flight, he has helped, I assume, I'm sure you know, he had arranged the November flight or was an intermediary and I'm running around saying we don't want to work with him when two major countries, the Government of Israel, a close ally and ourselves are still working with him. It's sort of would you please get out of the way. They never dealt us a whole deck.

Mr. **Kerr**. With regard to Colonel North, I am going to leave him aside for the moment, but with regard to Director Casey, again, trying to focus in on what happened, is there anything that you know of in terms of Director Casey's perception of the Operations Directorate that allowed him to cause this to happen, to have you all marching in one direction while Colonel North on a major initiative is marching in another?

Mr. **George**. Well, you have to tell me in your report at what point and did Director Casey, is it really true, decide we need something besides the Operations Directorate to run covert operations? And I might say to you, counsel, and to the good members that this is not the first administration and will not be the last that becomes totally frustrated with its spy service. You want a spy service that produces regularly and we don't. Life is tough. And so at what point a Director, and we saw a bit of it in the previous administration and the administration before that, and God knows, the administration before that, I am going to set up an operation and I am going to run it around these bureaucrats.

Mr. **Kerr**. Did you yourself have a perception in the fall of 1985 that Director Casey was prepared to wire around the Operations Directorate?

Mr. **George**. Not really. I know that now, but, no, my—again, I know this is the hearing, and this is the issue, and it is Iran and Contras, which I am sure we will discuss. May I say forgive me, I have [deleted] Americans that work for me, I have [deleted] foreign nationals who support our intelligence service abroad, I have people in [deleted] posts outside the continental United States and we send back and forth any month, God knows most of it is trivia, [deleted] telegrams. So this was not my whole world, and if he would have cut me out of a corner of something I would have been so busy doing 20 other things I am not sure I would have noted it.

Mr. **Kerr**. That may underscore the point, but I would point out to you we have a State Department cable which says [deleted] was quite negative on the Hashemi initiative. I was curious whether or not you had received as of the fall of 1985, any feedback from the Director that suggested he thought you all had been less than aggressive?

Mr. **George**. No, not at all. In fact, to the day I last saw Bill Casey and I had gone into the hospital last fall and many days later Bill Casey went in the hospital, let me assure all of you that he was a warm colleague of mine, I always believed him to be fair, and he was the Director and if he made certain operational decisions, he made them.

But personally, although he was not an intimate, personal friend, never at all, he was always good to me.

Mr. **Kerr**. All right. With regard to what is going on during that period of time, we now know Mr. Ghorbanifar came to the United

States on or about October 8, 1985, and at that time the only American official with whom he met apparently was Michael Ledeen, and you have as exhibit 35 a copy of Charles Allen's memorandum from October 7, 1985, in which Mr. Allen asks for [deleted] that is blocked out but he goes by Ashgari, who we now know to be Mr. Ghorbanifar.

Let me set the stage by asking whether or not the Operations Directorate knew during the first week of October 1985, that Manucher Ghorbanifar was in Washington, DC in a hotel and ultimately in the Executive Office Building meeting with American officials.

Mr. GEORGE. No, we did not.

Mr. KERR. Mr. Allen has testified that when he sent up this memorandum, [deleted], he didn't know who Ashgari was. He has testified he didn't know Ashgari's identity until early December 1985.

Do you have any knowledge of Mr. Allen on behalf of himself or on behalf of the National Security Council asking for an identifier on either Ashgari or Ghorbanifar in the fall of 1985?

Mr. GEORGE. I do not, sir.

Mr. KERR. Mr. Allen has lamented in his deposition testimony that he did not know who Ashgari was because that made it more difficult for him to do [deleted] work that he was doing. Do you have knowledge today of the compartmenting of Charlie Allen by Colonel North, keeping some of this information from him by Colonel North?

Mr. GEORGE. You are going to have to tell me again. Colonel North telling Charlie Allen?

Mr. KERR. Less that complete information, not telling him, for example, who Ashgari was.

Mr. GEORGE. I can't speak to that relationship at all.

Mr. KERR. You never had occasion to learn in 1986 that Colonel North wanted to keep some information away from Mr. Allen, is that correct?

Mr. GEORGE. I couldn't fairly answer that. Once you get after that Finding it complicates things a bit. I don't know that. No, I don't ever remember Colonel North in my knowledge saying, don't tell this to Charlie Allen.

Mr. KERR. I think I understand you to be saying that you did not know in early October of 1985, that Michael Ledeen was playing any role with Mr. Ghorbanifar at that time?

Mr. GEORGE. I did not.

Mr. KERR. The first occasion when the Operations Directorate would have had to learn that Mr. Ledeen was in fact involved with Mr. Ghorbanifar would have been in December of 1985?

Mr. GEORGE. Yes, I was puzzled at that because the documents I have been able to get my hands on indicate then a sudden tremendous—everybody in the whole directorate is being wooed and wined by Mr. Ledeen. But I do not know of anyone—I mean people could have certainly known him socially, but I do not know of anybody doing business with him.

Mr. KERR. I am driving at the informational exchange between the Agency and Ledeen that did not occur to the best of your recollection until late November, early December of 1985, would that be correct?

Mr. **George**. That is correct.

Mr. **Kerr**. The Agency did become involved with tracking Mr. Ghorbanifar in late October of 1985. We have a series of cables beginning at approximately exhibit 36, [deleted]. We also have a diary entry that suggests that you had talked to Colonel North?

Mr. **George**. I did talk to Colonel North.

Mr. **Kerr**. Can you focus on that episode and tell me your best recollection of what transpired?

Mr. **George**. I talked regularly to him on the telephone and he said would it be possible for the Operations Directorate on behalf of the NSC to [deleted]. I said of course. [Deleted].

Mr. **Kerr**. Using that as a focal point, did Colonel North tell you why he wanted [deleted]?

Mr. **George**. He talked to me and that is a question, since I have been reminded of this incident, what he told me—sure in hell didn't say we are shipping arms to Iran, [deleted]. I don't recall what he told me. I suffer the bureaucrat's disease that when people call me and say, I am calling from the White House for the National Security Council on behalf of the National Security Adviser, I am inclined to "snap to." I do not remember why he told me.

Mr. **Kerr**. In terms of using that as a way of focusing your recollection, you do not believe that you knew at that time of the arms transactions that the Israelis were engaged in?

Mr. **George**. I did not.

Mr. **Kerr**. [Deleted]?

Mr. **George**. [Deleted].

Mr. **Kerr**. [Deleted], what instruction, if any, was given to your agents to apprise Colonel North of the nature of the people with whom he apparently was dealing; to tell him about the burn notice?

Mr. **George**. About the burn notice—I am told by Mr. Cave that some time after [deleted], but that would not be until 1986, because when we brought George back—[deleted]—he was on contract when we brought him into the Iranian affair—he has told me [deleted] one of them was Ghorbanifar. [Deleted]. I can't remember when anybody would have told Colonel North that this is Manucher Ghorbanifar.

Mr. **Kerr**. [Deleted] has testified that he is the one that hand-carried [deleted] over to Colonel North. Do you have any knowledge of exchange between [deleted] and North about who Manucher Ghorbanifar was and what his prior relationship was with the Agency?

Mr. **George**. I do not.

Mr. **Kerr**. You do not recall talking with Colonel North about who Manucher Ghorbanifar was at that time; is that right? You didn't have a chat with Colonel North on the nature of Manucher Ghorbanifar?

Mr. **George**. Colonel North told me something about what the sam hill he thought he was doing and I apologize, I can't remember. I cannot believe he said I am dealing with Mr. Ghorbanifar and [deleted].

Mr. **Kerr**. I assume that had you known that you would have apprised Colonel North of the perspective of the Operations Directorate on Manucher Ghorbanifar?

Mr. **George**. Whatever else I did throughout this affair, when the name Manucher Ghorbanifar was put together with who he was, meaning I suddenly realized he was a man with a burn notice, I am afraid I made a bit of a fool of myself telling everybody that we should stay away from him. I would not have excluded Colonel North from that piece of advice.

Mr. **Kerr**. You don't have a perception today though as to whether or not North knew as of October 1985, of the Agency's prior bad relationship with Ghorbanifar?

Mr. **George**. I do not know.

Mr. **Kerr**. Mr. Ledeen was meeting in Switzerland at approximately this time, 27th or 28th October, with certain Iranians and has attributed [deleted] to information that he provided to Colonel North as a result of that meeting in Switzerland. Did you have any knowledge at that time of Michael Ledeen playing a role with the Iranians on the initiative?

Mr. **George**. I did not.

Mr. **Kerr**. So Colonel North, to the best of your recollection when you talked to him about this matter, did not mention that Ledeen was doing anything on this matter?

Mr. **George**. I don't remember Colonel North discussing anything with me except at a later period in time complaining.

Mr. **Kerr**. Moving ahead into November, there is an incident that we have all heard about that occurred when the Agency was asked to provide some air support to Colonel North. Let me ask you to focus on that. We are now the 22d, 23d, 24th of November, 1985. Your testimony usually picks up on that Monday, the 25th, but bring us into focus on when you learned of this incident.

Mr. **George**. I left Washington for a weekend that weekend. I left Thursday morning and came back Sunday afternoon. I went into the office on Monday morning and John McMahon was in my deputy's office, my deputy was Ed Juchniewicz and John McMahon was visibly and outspokenly disturbed. I don't remember how I put it all together, but I finally got the following picture. Over that weekend, Colonel North had called the Chief of my European Division and said that it was critical to arrange for an Israeli plane to land [deleted]. We had sent cables to [deleted], and [deleted]. This we now know was General Secord. At the time, our [deleted] stayed up all night—it was a charge, there was great confusion going to a foreign government at night and getting special permission for a plane from Israel to land is not easy, no matter who you are. John McMahon said to me that Monday morning—I heard him say to Ed Juchniewicz, and I do remember this—not only did you send the cables, but you let the goddamned airplane go to Tehran. Now we know the story I am telling. I put a cable package—John said get me those damned cables—and I put a cable package together with him, my secretary and I, and delivered it to him, I am sure that very day.

Mr. **Kerr**. Let me take you back. You would not have been in the office that weekend, correct?

Mr. GEORGE. I was in the Hilton Hotel in Pittsburgh, Pennsylvania.

Mr. KERR. And no one contacted you in the Hilton Hotel in Pittsburgh about this matter?

Mr. GEORGE. No.

Mr. KERR. In terms of what happened Monday morning, you come in and it becomes apparent to you that Mr. McMahon is disturbed?

Mr. GEORGE. As William Safire said that was the famous through-the-overhead weekend.

Mr. KERR. Did you, as part of the task that you were given at that point, have a meeting with Mr. Clarridge?

Mr. GEORGE. I talked to Dewey several times during that day. I said to Dewey, "Bring me the damned cables," I said to my secretary, "Dig up what we have here, get me a package of these things. I've got to get them to McMahon." I am sure I talked to Dewey more than once.

Mr. KERR. Do you recall having a meeting of Clarridge and yourself with Mr. McMahon that day?

Mr. GEORGE. I don't, but we could have certainly.

Mr. KERR. With regard to the cable trafffic, my assumption is that you tried to get as complete a collection of cables as you could?

Mr. GEORGE. It was simple. There were cables sent out from the European Division to [deleted] dealing with a flight that was going to originate in Israel and whether I knew whether it was going to Tehran or not, I certainly learned quickly, so it is not a complicated problem to find that traffic and put it together. There is not that much of it.

Mr. KERR. Did it come to your attention from the numbers or otherwise that there were cables in the sequence missing?

Mr. GEORGE. No, sir.

Mr. KERR. You had your staff do that?

Mr. GEORGE. Yes.

Mr. KERR. No one told you there was a cable missing?

Mr. GEORGE. Among us, it would be my secretary who would say, "All right, Clair, we have this little pile of things here in a manila envelope, this is it." She wouldn't, nor would I have ever expected her to say, "[deleted] is not there," and so there was no, to me, that Monday any such discussion.

Mr. KERR. So to the best of your knowledge, you didn't have an awareness of a missing cable?

Mr. GEORGE. I did not that day.

Mr. KERR. And until the recent events occurred, did it come to your attention that there were [deleted] cables missing at that time?

Mr. GEORGE. No. I can't remember, so many things have been going on in the last few months, but, no, there never was an issue that there was a cable missing.

Mr. KERR. In terms of the cables, they were coming in on the privacy channel?

Mr. GEORGE. They were coming in on what we call a privacy channel, a variety of links we have established. I have one, the Director has one, the Deputy Director has one, and each of my Geographic Division Chiefs had one. The primary purpose of this is to handle extremely sensitive personnel matters, of which we have many, as people have serious problems abroad.

The way it works is, in this case, it would be Mr. Clarridge's privacy channel in Europe. I get a copy of every privacy channel sent out of the Directorate. You cannot communicate with your man overseas without my receiving a copy of it in the privacy channel.

Therefore, if the cable—I have discussed this on many occasions—if the cable went in and out of the privacy channel, I should have received a copy. The only person who can cable in and out of the building without any other distribution, other than the Office of Communications, is the Director himself.

Mr. **Kerr**. You are familiar with the testimony given by [deleted].

Mr. **George**. Very well, and a very close friend for 30 years. I have great faith in [deleted] and consider him an outstanding officer.

Mr. **Kerr**. You are aware that [deleted] has testified that he sent two cables after a meeting with Mr. Copp?

Mr. **George**. I saw [deleted] when he came back to testify and talked to [deleted] for a long time, and [deleted] said he and Dick Secord, known to him I guess only as Copp, stood in the parking lot outside of Copp's hotel in [deleted], and Copp said, "Do you know what is going on here?" And poor [deleted] had been up for 72 hours trying to get [deleted] to let an Israeli plane land, and he said, "Excuse me, sir, I don't." [Deleted] reports that the good General Secord said we are trading missiles for hostages.

Mr. **Kerr**. As I understand, you have told me previously, I take it, it continues to be your recollection that you did not see such a cable?

Mr. **George**. I promise you, no matter how many cables we send in and out over a month, that one would have grabbed me.

Mr. **Kerr**. You are aware, are you not, that the Agency has been unable to find a [deleted] cable that there is a number for?

Mr. **George**. That is correct.

Mr. **Kerr**. Do you know of any explanation for what happened to that missing cable?

Mr. **George**. I suppose three times in the last 20 years I have seen a cable eaten alive by the relay station in [deleted]. The odds are so high, I am afraid we would be foolish to think that happened. A cable could have been sent in a nonprivacy channel. [Deleted] swears the traffic was in privacy channel, he could have put a slug, a signal at the top of the cable which would have sent it somewhere else, all copies then to a single person. The issue which I have discussed with your staff and with the staff of the Independent Counsel—I would find it impossible unless there is a cabal of people engaged in a coverup to sort of send a cable like that, somehow get all the copies of it and make it disappear.

Mr. **Kerr**. And that is because there are a number of people that are supposed to get copies?

Mr. **George**. I am the Office of Protection, and it is not just me. I have a deputy, there are four secretaries, and I have my own registry, mail room in our language, and these things are seen. Even I couldn't fast enough whip up a cable like that and pick up all the copies and make sure no one had seen it.

Mr. **KERR**. In terms of the work that was done to collect the cables on that famous Monday morning of November 25th, were you relying on cables that were already in your office———

Mr. **GEORGE**. I think we went to Clarridge and said, Dewey, bring us over the weekend cable traffic, please, on this issue with Colonel North. We would almost certainly have depended on that as our record, because other than my own privacy channel, my office, just because of paper flow, is not an office of record. So I would have had those cables but I never can swear that I have everybody's privacy channels.

Mr. **KERR**. It is within the realm of possibility that Mr. Clarridge, who was working that weekend, could have actually taken delivery of the cable traffic as it arrived.

Mr. **GEORGE**. He cannot get his hands on the copies that are coming to my office.

Mr. **KERR**. He cannot, as a matter of policy?

Mr. **GEORGE**. He cannot. The policy is that if you are working the privacy channel, which again is mostly about tragedies of personal lives abroad, you cannot take my copies away from me. The only channels that I cannot see is a slip-up—in terms of my access to sensitive CIA international cable traffic, the only two people who can outdeal me are the Director and the Deputy Director, as it should be.

Mr. **KERR**. Is there any logging system in your office that would show the arrival by number or otherwise of cables?

Mr. **GEORGE**. I don't know. No.

Mr. **KERR**. So there is no document——

Mr. **GEORGE**. I cannot say to you, I tell you on this weekend this cable did or didn't come in. There are great piles of them, counsel.

Mr. **KERR**. Let me shift gears for a moment——

Chairman **HAMILTON**. Mr. Kerr, is this a good place to take a break?

Mr. **KERR**. Certainly.

Chairman **HAMILTON**. Then we will take a recess at this point and return tomorrow morning if we may, Mr. George.

Mr. **GEORGE**. Mr. Chairman, it would be my pleasure.

Chairman **HAMILTON**. At 9:00 o'clock. Until then, this hearing will stand in recess.

[Whereupon, at 6:05 p.m. the Select Committees recessed; to reconvene the following day at 9:00 a.m.]

could I find enough shipping [illegible] up [illegible]
copies and [illegible] to the [illegible]

Mr. Kemp: In terms of the work that was done to correct the [illegible] of that [illegible] of November [illegible]

[illegible]

# JOINT HEARINGS ON THE IRAN-CONTRA INVESTIGATION

## Continued Testimony of Clair George

---

THURSDAY, AUGUST 6, 1987

House Select Committee To Investigate
Covert Arms Transactions With Iran
and
Senate Select Committee on Secret Military
Assistance to Iran and the Nicaraguan Opposition,
*Washington, DC.*

The Select Committees met, pursuant to call, at 9:00 a.m. in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the House Select Committee) and Hon. Daniel K. Inouye (chairman of the Senate Select Committee) presiding.

Chairman **Hamilton**. The Select Committees will come to order.

Good morning, Mr. George.

### CONTINUED TESTIMONY OF CLAIR GEORGE, FROM AUGUST 5

Mr. **George**. Good morning, Mr. Chairman.

Chairman **Hamilton**. We will begin with a continuation of questioning by Mr. Kerr.

Mr. Kerr.

Mr. **Kerr**. Thank you, Mr. Chairman.

Good morning, Mr. George.

Mr. **George**. Good morning, counsel.

Mr. **Kerr**. Mr. George, I would like to conclude a few questions on the November 1985 HAWK shipments.

Mr. **George**. Please.

Mr. **Kerr**. With regard to events that you were involved in that Monday when you came back.

Mr. **George**. Yes.

Mr. **Kerr**. If you would look at exhibit 43 at page Q-1353, there is an excerpt from the North diary which apparently makes reference to a telephone conversation between North and Mr. Clarridge in the early morning hours of——

Mr. **George**. May I, again? Q?

Mr. **Kerr**. Q-1353. It is exhibit 43.

Mr. **George**. Yes, I have it.

Mr. **Kerr**. That makes reference to a telephone call that Colonel North received from Mr. Clarridge. It talks about being summoned in by Clair and McMahon and then there is the phrase "this is criminal."

From our previous conversation, it is my understanding that you do not recall participating in a meeting on the 25th of November in which a statement to that effect was made?

Mr. **George**. This never happened. For John McMahon and me to call in a staff employee of the Central Intelligence Agency, the Operations Directorate, and say—imply your behavior is criminal, two things would happen. I would never forget it, and secondly, we would certainly take it to the Department of Justice.

Mr. **Kerr**. So this comment was not made by you and was not made in your presence; is that correct?

Mr. **George**. No.

Mr. **Kerr**. The committee has heard testimony on the description of the cargo that was carried by the CIA's proprietary. You will recall the description that was utilized at the time was oil-drilling equipment.

The committee has heard testimony from Don Regan, for example, that he knew that that was a cover story, that there was military cargo being carried by the proprietary. People like Charlie Allen, for example, have testified in deposition that he was suspicious of the oil equipment cover story that weekend and by the evening, early morning hours of the 26th, [deleted] which suggested that military equipment had been carried.

The Agency's lawyer, Mr. Sporkin, said that on the 25th of November, he learned that the proprietary had carried military equipment. You would have known, isn't it correct, on Monday or Tuesday the 25th and 26th of November that the proprietary had, in fact, carried military equipment to Tehran?

Mr. **George**. That is not my recollection. My recollection was that at that moment that week there was confusion as to what that plane had carried, but the story being given to me as I returned was it was carrying nonlethal equipment, oil-drilling equipment.

Mr. **Kerr**. That story would have been given to you first and foremost by Mr. Clarridge?

Mr. **George**. I cannot—I think the story would have probably been given to me first by my own personal staff in my office. When I am running around, as we discussed yesterday, collecting the cables from that weekend for Mr. McMahon, as I am doing this, I am sure I am saying "What is it? Why did it happen? Where? Why and what?"

It was told to me by them. I do not remember Mr. Clarridge saying it was or wasn't oil-drilling equipment.

Mr. **Kerr**. With regard to what you did understand at the time, based on your experience, the state of Israel was not in the business of—or at least not known for exporting oil-drilling equipment, was it?

Mr. **George**. Well, I wouldn't agree with that statement. The complexity of the Israeli-Iranian relationship over the years—as I am sure everyone is familiar with—the importance of that relationship to the state of Israel, they had attempted since the fall of the Shah to open doors in Iran, as they properly should geopolitically.

I don't see any reason why they wouldn't ship oil-drilling equipment although certainly the coin of the realm in the Middle East is called "arms."

Mr. **Kerr**. Yes, sir. Just one more thought on that score.

Do you have any explanation for how the CIA's attorney, Mr. Sporkin, knew that military equipment was being carried by that airplane when the Agency's chief covert operations operative did not?

Mr. **George**. I do not.

Mr. **Kerr**. OK. With regard to what was known during that period of time, the—you were aware, from your testimony yesterday, that Mr. McMahon was concerned that a Finding was required?

Mr. **George**. Absolutely. He so told me.

Mr. **Kerr**. You have previously testified, however, that you were not aware of the fact that a Finding was drafted and submitted to Admiral Poindexter for the President on November 26th?

Mr. **George**. One of the more bewildering experiences I have had throughout this affair took place in late November, early December of 1986, when I testified under oath to the Senate Select Committee and Senator Cohen of Maine held a sheaf of papers in front of me and said here are all the Findings. And I said all the what?

And I said I had one Finding. The Finding I had was the Finding that was shown to me in the White House. I was not involved nor was I—I knew John McMahon said, "You will not support this activity—" —and I now know John knew more about that activity than I did— "—without a Finding."

But the preparations of the Finding—which, again, gentlemen, much of this comes from your hearings and from the press—the preparation or the many variations of that Finding I was not made privy to that.

Mr. **Kerr**. In terms of your knowledge of that period of time, let me just place a couple of people. Mr. Juchniewicz was your Deputy?

Mr. **George**. He is my Deputy.

Mr. **Kerr**. You and Mr. Juchniewicz would have been in touch with each other during this period of time, I assume.

Mr. **George**. Very much so.

Mr. **Kerr**. Are you aware that Mr. Juchniewicz apparently attended a meeting with Mr. McMahon on December 5th, 1985, in which Mr. McMahon indicated that there was a Finding proposed and that the Finding had, in fact, been signed.

Mr. **George**. I have seen a piece of paper, thanks very much to this committee, which is the recollection of events of John McMahon's personal assistant made a year after the fact. And in that piece of paper, that individual, John McMahon's personal assistant, says that it is her recollection of that 6 December—whenever—counsel meeting, that there was a statement to the point that the President signed a Finding. I have asked Mr. Dunn, who was [deleted], who is purported to have attended that meeting, about that and he can recall no such thing.

Mr. **Kerr**. I see. The memorandum in question is exhibit 76, I believe.

Mr. **George**. I appreciate it. I might say in discussing exhibit 76, which is the 28 November recap by [deleted], I had never seen that paper before, and the people who attended for me—I have not seen Ed who has since retired, but Bert Dunn, who is now my Deputy and [deleted], Chief of my Information Management Staff, cannot remember the statement that the President signed the Finding.

Mr. Kerr. There is one other document apparently generated at that time by Mr. McMahon which mentioned the Finding and that is a memorandum for the record prepared on December 7, 1985, which is exhibit 44. That memorandum, I take it from what you are telling us, is not an item that you would have seen at the time it was written either; is that correct?

Mr. George. I do not recall this memorandum.

Mr. Kerr. So the bottom line is that from your point of view, your recollection, Mr. McMahon did not apprise you, the head of covert operations for the CIA, that a Finding had been drafted and indeed signed?

Mr. George. I think Mr. McMahon—it is my judgment after the fact with those facts I have, obviously John McMahon was aware as he should have been of more of the activity that was going on than I was. I was not aware of the activity. John made known to me a direct order. "You will not participate again in the Operations Directorate in any similar activities similar to the flight of the weekend of the end of November without a Finding."

I assume there is a Finding being prepared. In the helter-skelter of the time and of that moment, I was never consulted about a Finding and the many variations which I now know exist.

Mr. Kerr. One of the matters I want to bring out in this portion of the testimony is the—for whatever reason—the slippage in information between people and the failure to communicate. On that score, let me bring to your attention a matter we discussed the other day.

That is the meeting that took place on December 4th, 1985, between Mr. Allen, Mr. Clarridge, and Mr. Ledeen, which is memorialized in exhibit 45.

In that meeting, as the memo indicates, on December 4th, Mr. Ledeen went through for Mr. Clarridge and Mr. Allen the preceding events on the TOW and HAWK shipments in some detail.

Mr. George. Correct.

Mr. Kerr. And made quite clear what had been shipped by the proprietary on the weekend of the 23d and 24th of November.

Now, my understanding of when we talked before is that this memo is also a matter you were not familiar with at that time; is that correct?

Mr. George. It is my recollection that I have never seen this memo before. I asked Mr. Clarridge when he returned from his testimony 2 days ago if he had—it is my understanding he did not. And a careful reading of the memo indicates to me that Mr. Allen—although it starts out implying Mr. Allen—excuse me, Mr. Ledeen approached Mr. Allen and Mr. Clarridge, Mr. Clarridge says, "you take care of this, Mr. Allen, I am leaving."

This memo, and I think you will recall the look on my face, is new to me. I have never seen it. And I have carefully questioned Bert Dunn, who is now my Deputy who was then [deleted]. I have questioned [deleted]—then Deputy of [deleted], now [deleted].

I questioned the Chief of the Iranian Branch and nobody can recall this memo.

Mr. **Kerr**. So I am clear, though, you had no recollection of ever having seen this memo at all?

Mr. **George**. I cannot believe I have ever seen such a memo. I worry often, and I think this has happened, and I made this point, I know you understand, in the amount of paper that comes through my office, things that are not even sent to me, people initial for me and all of those problems. But this is dynamite and this just couldn't have been passed through without reaction.

Mr. **Kerr**. One final question on that point. When you talked to Mr. Clarridge about what he knew about this memorandum, did he have a recollection of ever having seen it himself?

Mr. **George**. It is unfair for me to talk for Dewey. He was leaving town the night after he testified here. I said "holy cats", he came up to tell me how it went. I reminded him of this activity and it was my impression and maybe I should allow him to speak for himself, that yes, he remembers Ledeen came in and Mr. Allen talked to Mr. Ledeen, but all of these descriptions he implied he did not see this memo.

Mr. **Kerr**. All right. Thank you.

Mr. **George**. May I, counsel, briefly?

As I left last night, I would like to make a point to the committee and to you, sir.

I want to lead you back to the famous flight on the last weekend in November. I hope I did not leave you with the impression that I believe there is a missing cable. I don't know.

I talked about how a cable could be missing and some of my colleagues felt I might have left the impression I agreed that is a missing cable. I don't know. I know both sides of the story.

Mr. **Kerr**. So we are clear, the only point I was trying to get across is you are familiar with the fact there are two cables by number, at least, that have not been provided to us from that time?

Mr. **George**. So I am told.

Mr. **Kerr**. Yes, sir.

Moving ahead just a bit further, 3 days after Mr. Ledeen met with Mr. Clarridge, perhaps briefly, and longer with Mr. Allen, on December 7th, 1985, Mr. McMahon attended a meeting with the President of the United States and others at which time the Iranian initiative was discussed?

Mr. **George**. Yes.

Mr. **Kerr**. Again, from what you have told me before, it is my understanding you were not familiar with that fact at the time it was going on?

Mr. **George**. I cannot recall that fact.

Mr. **Kerr**. Immediately after that meeting, Mr. McFarlane leaves and goes and meets Mr. Ghorbanifar.

Mr. **George**. In London.

Mr. **Kerr**. In London. You were not familiar with that event?

Mr. **George**. I have trouble—my frank answer is no. Although now—you know, I know so many things as we all do afterwards. Did I know McFarlane went to London and met with Ghorbanifar? No. I cannot remember that.

Mr. **Kerr**. Your best recollection, though, is that you had no contemporaneous knowledge of these events?

Mr. **George**. Of these events. Of this stirring around on the Ghorbanifar issue, people meeting him, organizing things with him. The significance of the event as we now see it after the fact could not have been forgotten by me if I had been included.

Mr. **Kerr**. Similarly, after McFarlane returned, there was another meeting at which Director Casey was present which must have occurred about the 10th of December as reflected in exhibit 47. Again, based on our previous conversation, it is my understanding that that event, the return of Bud McFarlane and his reaction to Mr. Ghorbanifar was not something that was known to you contemporaneously?

Mr. **George**. No.

Mr. **Kerr**. You did come into the picture, however, on or about the 20th of December when Director Casey talked to you about Mr. Ghorbanifar in——

Mr. **George**. Well, this is a very key point. It is a point I tried to refer to yesterday. At what point in that time span from that flight to the Finding did I get into the act about Ghorbanifar, because I got into the act—excuse me—preaching against him.

I arrived on the scene in Mr. Casey's office, Mr. McMahon's office, my office, wherever I could be heard, saying we don't want anything to do with this guy. There is a burn notice.

Yes, by the 20th, and now we are involved with the [deleted] affair. I will let you go on, counsel. At some point in there I am plugged into Ghorbanifar.

Mr. **Kerr**. In terms of triggering events, however, I mentioned to you the other day Director Casey had met with Mr. Ledeen on the 19th.

Mr. **George**. I have no recollection of that.

Mr. **Kerr**. You were not familiar with that. When Director Casey gave you the request to re-evaluate Ghorbanifar you and your people decided that [deleted] would be the person to do that; correct?

Mr. **George**. That is quite correct.

Mr. **Kerr**. [Deleted] did make arrangements to go out and meet with Mr. Ledeen at his house and Mr. Ghorbanifar and ultimately Colonel North came by; is that correct?

Mr. **George**. Yes.

Mr. **Kerr**. The results of that workup are contained in exhibit 49 and that is a document which is directed to Director Casey and I assume went to him. The conclusion of the episodes of the 22d and 23d of December is that you all decided that a polygraph test of Mr. Ghorbanifar should be taken; correct?

Mr. **George**. [Deleted] came back from the meeting with Mr. Ghorbanifar only further convinced of the untruthfulness or the lack of trust that we could put in Mr. Ghorbanifar and we were urged again to test him possibly by the Director, possibly by Mr. McMahon, possibly by me. All right. Let's—excuse the phrase we use, "throw him back on the polygraph."

Mr. **Kerr**. One of the purposes of that was to try to establish by objective data, i.e., the test, some proof that this man could or could not be trusted?

Mr. **George**. Yes. We were totally prejudiced. I mean, we suffer every—all the faults of human nature. We convinced ourselves that Ghorbanifar was absolutely untrustworthy, but if you want us to put him back on the polygraph, we will do that. And the results—well, go ahead.

Mr. KERR. And the results were obtained when the polygraph was taken on the 11th on January.

Mr. GEORGE. He showed deception on 13 out of 15 questions. The only questions he passed were his name and his nationality.

Mr. KERR. We have at exhibit 52 another entry from Colonel North's diary. This one is at Q-1440. It shows that at 12:20 p.m. on the 13th of January, you called Colonel North and said something to the effect Ghorbanifar is lying on 13 of 15 items?

Mr. GEORGE. I am sure I did. Because I was under pressure from Colonel North—it is not fair to say "pressure." Colonel North, as I said yesterday, and I were on the phone with some regularity. Colonel North, if I can phrase it this way, wanted Mr. Ghorbanifar to pass his polygraph exam.

Mr. KERR. You wanted to make sure Colonel North got the message?

Mr. GEORGE. I wanted him to get it from the horse's mouth that one more time Mr. Ghorbanifar in the exact phraseology shows deception on 13 out of 15 issues.

Mr. KERR. At the time you talked to Colonel North, were you aware Colonel North was in the process of drafting a revision to a Finding that had already been signed on about the 6th of January?

Mr. GEORGE. As I said to you yesterday, counsel, I am sort of the fool here. I am playing the fool. It wasn't whether Colonel North was drafting a Finding, using Ghorbanifar. The Governments of Israel and the United States had been using Mr. Ghorbanifar since the summer of 1985 to involve themselves in a highly complicated international arms deal. So here is some guy running around talking about polygraph when two major nations have already taken major foreign policy decisions based on his use.

Mr. KERR. So at least with the benefit of 20-20 hindsight, you perceive yourself having been participating in something of a charade at the time?

Mr. GEORGE. Well, you know, maybe I could have stopped it. I could have really raised hell and convinced everything in Jerusalem and Washington.

Mr. COHEN. Could you clarify, you were not aware at that time that Israel and the United States had been involved in a major, complicated arms deal?

Mr. GEORGE. At the time, no. But I am now—but in July of 1987, I realize how silly I may have looked at the time.

Mr. KERR. It is that concept, that feeling of silliness, did anyone, Casey or otherwise, explain to you why you were put through that drill?

Mr. GEORGE. William Casey—who was always kind and courteous and a dear friend of mine and never, who never treated me otherwise—listened carefully to my pleas about Mr. Ghorbanifar. And if my memory serves me, I did something I rarely did with the Director. He is the Director, and I had great faith in him. I said, "Bill, I am not going to run this guy anymore," which means in our langauge, "I will not handle him; he is a bum."

And Casey said, "Well, look, he does—" see, there are levels of Ghorbanifar. Ghorbanifar knows endless things: hit teams in Europe, these Iranian terrorist centers [deleted], plans to overthrow [deleted], all these different things. Bill Casey said to me, "he has what appears to be valuable terrorist information."

This is another problem. Terrorist information you cannot dismiss no matter how foolish it looks. You have got to take terrorist information seriously even though you think who told you is crazy.

He said to me, "would you mind if I had my National Intelligence Officer for Counterterrorism meet with Mr. Ghorbanifar to discuss terrorism?"

And I guess I said, "no, I don't mind."

Mr. **Kerr**. Let me just jump out of sequence on that for a moment. We discussed it again the other day. As to the terrorism information that Mr. Ghorbanifar provided, not only as of January 13, but as of his meeting January 26 in England with Mr. Allen, your people evaluated that information, did you not?

Mr. **George**. Mr. Allen prepared and I think it is an exhibit, a nine-page, single-spaced typewritten report based on a meeting that he had in London in the Churchill Hotel with Mr. Ghorbanifar, 90 percent of which was Mr. Ghorbanifar's information on terrorism. I think, counsel, correct me—I do not believe it is a document here in my book—but the, the NE Division of the Operations Directorate wrote a four-page rebuttal of that particular meeting pointing out the discrepancies, untruthfulness, lack of factuality in Mr. Ghorbanifar's tale.

Mr. **Kerr**. I think we have now put that in the book. I think exhibit 57 is the memorandum you have in mind.

The bottom line, though, is that when your people who were expert in this area evaluated the terrorism information of Mr. Ghorbanifar, they essentially concluded it was junk; isn't that right?

Mr. **George**. Yes.

Mr. **Kerr**. All right. Now, let's come back to January 13, that period of time.

Mr. **George**. We are in——

Mr. **Kerr**. 1986.

Mr. **George**. 1986.

Mr. **Kerr**. You have reached the conclusion Mr. Ghorbanifar continues to be someone you don't want to do business with?

Mr. **George**. That is correct.

Mr. **Kerr**. And on January 16, or 17, you all put out a notice, the Operations Directorate, put out a notice that says the CIA is going to do no further business with Mr. Ghorbanifar?

Mr. **George**. That is correct.

Mr. **Kerr**. All right. We also know that that very day——

Mr. **George**. That is correct.

Mr. **Kerr**. —the President of the United States signed a Finding that required you to do business with Ghorbanifar——

Mr. **George**. On the 18th after having sent a cable, we will do no more business with Mr. Ghorbanifar, I was taken to the White House and given a Finding which in its practical sense said you will be doing business with Mr. Ghorbanifar.

Mr. **Kerr**. Now, as of the information you learned after the Finding was signed, January 18, that period of time, do you today have any knowledge as to whether the President of the United States had been given the benefit of the analysis that your people did have on Mr. Ghorbanifar as of that time?

Mr. **George**. I do not know.

Mr. **Kerr**. Thank you.

One other event that occurred at that period of time is that you all told—you yourself told Mr. Casey that you didn't want to run Mr. Ghorbanifar?

Mr. **George**. That is correct, counsel.

Mr. **Kerr**. He chose an alternative way of dealing with that; isn't that correct? He chose Mr. Allen sort of as a case officer.

Mr. **George**. That is correct.

Mr. **Kerr**. Mr. Allen, you previously testified, is a NIO, a National Intelligence Officer?

Mr. **George**. National Intelligence Officer.

Mr. **Kerr**. He has not been trained in or brought up in the Operations Directorate; is that correct?

Mr. **George**. That is correct.

Mr. **Kerr**. One of the other points that you made yesterday is that Mr. Ghorbanifar was difficult for the CIA because he was very difficult to handle, to control, correct?

Mr. **George**. He is as complex an individual as—I guess since he has got us into the last 8 months—I have ever run into.

Mr. **Kerr**. So in terms of a person for trained operation——

Mr. **George**. There couldn't have been a better mismatch.

Mr. **Kerr**. Your perception today, based on what you told us previously, is that your decision to pull away from Mr. Ghorbanifar and allow Mr. Allen to become his case officer may very well have been a mistake?

Mr. **George**. I would have said to you 4 months ago it was a terrible mistake; I should have fought with Casey, and said if we are going to handle this guy, I'll handle him and I'll get three of the meanest men I know alive and we'll handle him.

You see, all that was unimportant. It didn't matter what I said. It didn't matter whether I said, let my 18-year-old daughter handle him. They were already using him in a major international foreign affairs activity, so as I said yesterday, I'm not playing with the whole deck.

Mr. **Kerr**. In terms of the potential risks of having someone like Charlie Allen take on the responsibility for Ghorbanifar, do you today know whether those risks were brought to the attention of either the National Security Adviser or the President?

Mr. **George**. I do not.

Mr. **Kerr**. In terms of what that leaves us, I would like to kind of summarize where we have been in the period between June of 1985 and January of 1986 when you all got your assignments.

One of the things that you all are responsible for doing is collecting information off American shores of things that relate to American foreign policy and risks to the national security; isn't that right?

Mr. **George**. We are the primary collector of human intelligence outside the continental United States.

Mr. **Kerr**. So knowing what's going on beyond our borders is a big part of your portfolio?

Mr. **George**. Sometimes we make it, sometimes we don't.

Mr. **Kerr**. In this situation we have a situation where, for a variety of reasons, you didn't know what was going on.

Mr. **George**. We knew less about what was going on in Washington than we did overseas.

Mr. **Kerr**. You were being cut off inside your own capital from information that would allow you to know what was going on outside; isn't that right?

Mr. **George**. In September of 1985, Bill Casey had me, John McMahon, Bob Gates in his office, and Bill Casey said, "I've just had a strange meeting in the White House. Bud McFarlane informs me that the Israelis have approached them, the Israelis have established a contact with Iranian interests, and these contacts could lead to an opening of a dialogue with certain Iranians and to release of hostages. But the Israelis have one demand: CIA not be informed." And there was a twinkle in Casey's eye and he said, "I wonder what in hell this is all about."

[Deleted].

Mr. **Kerr**. Let me just try to crystallize the points. Your job was made tougher. You were blinded by the lack of information.

Mr. **George**. I don't want to appear—I'm not going to sit here and say, my God, I didn't know a thing, I'm an innocent child in the woods. An important policy decision was made between the Government of Israel and the Government of the United States to ship arms to Iran for the purpose of getting hostages and getting a dialogue. It was decided to do that within the White House with only, in January, the technical support of the CIA.

Mr. **Kerr**. But what that means is that the professional skill and expertise that was within your Operational Directorate——

Mr. **George**. Was not used properly.

Mr. **Kerr**. And it was not brought to the attention of the President?

Mr. **George**. I do not know what the President knew.

Mr. **Kerr**. Let's go to your relationship with Colonel North for a moment. From going through his diaries, it is apparent that you had numerous contacts with the Colonel.

Mr. **George**. When he was in town, I must have talked to Colonel North, almost always phone contacts and/or meetings in the White House of many people, I have rarely had a meeting alone with Colonel North, maybe two or three times, but, yes, week in, week out, if the Colonel were here, if I were here, we talked to each other.

Mr. **Kerr**. There is a curiosity with the diaries. There is a great deal of reference to you in 1985 and very little in 1986. Did you have less contact with him from your recollection in 1986?

Mr. **George**. Let me try to put in a framework what my dealings were with North, and I'm sure under the questioning of members and others, we can get into this deeper.

North was very good with me in discussing Central America, and I know I'll be asked whatever he was doing. He didn't talk to me about Central America. My Central American discussions with him, if I may say so—we picked—let me digress a little bit.

The North relationship is important. I picked with John McMahon's—John McMahon picked, I picked, we picked and forced into Bill Casey's office the appointment of [*C/CATF*] in September of 1984 to run the Central American Task Force because we smelled it was going to be the most difficult job in our directorate, and boy, were we right. I had a terrible problem of personalities with North and [*C/CATF*]. They tripped over each other in that they are both terribly dynamic operators, and [*C/CATF*] would come to me and complain that Ollie was moving into his turf and Ollie would call me and say, "Goddamn [*C/CATF*]." It was never weapons; this was just politics in Central America which we were legally allowed to be participating in. That never ended, and I was sort of a referee between these two very strong personalities in a sort of general commander way. You will make it, don't worry, he's a good guy.

Secondly, the real business that North and I did, and we did intensely through late 1984 and early on through 1985, was hostages. He became the hostage focal point in the White House and I took, as you know from reading my depositions, great personal interest in the hostage affair, because of Buckley, [deleted] and because American lives are important to us. Yes, that did taper off in 1986, because I think—and this is just a guess, counsel—North became more and more involved in Iranian affairs.

[Deleted].

Mr. KERR. We now know today, however, that Colonel North engaged in certain operational activities of his own. Do you have any knowledge of taking this, what you describe as a romantic notion, and taking it towards implementation?

Mr. GEORGE. No.

[Deleted].

Mr. KERR. One other aspect of North's relationships. Did you become familiar with or acquainted with North's relationship with Director Casey?

Mr. GEORGE. I knew they knew each other well. I remember sitting in the office and hearing Ollie North call Casey and talk to him and Casey would talk to him. They were, I think, among us, that Oliver North, and he's a friend of mine, had guts in approaching anybody anywhere anytime in any conditions without any concern about their title, rank—you know, we all grew up that you don't just storm into the CEO's office the third day with the company, and Ollie did it. Bill Casey liked Ollie North. We all did.

Mr. KERR. An impression I have from talking to people in your directorate is they came away with the impression that—was it your impression that in talking to Colonel North, Director Casey would learn very quickly of the conversation, that that was a way of talking to the Director?

Mr. GEORGE. If Ollie talked to——

Mr. KERR. If you talked to Colonel North, would your conversation be related to Director Casey by Colonel North?

Mr. GEORGE. It was evident in my relations with Ollie, it became evident—I haven't read all the PROF notes. I have read some of those in the back of the Tower Commission Report. Ollie wasted no time. If I gave him the wrong answer, he called Bill Casey to see if he could get it changed.

On many occasions, I said, "Ollie, you're out of your GD mind, I'm not taking the responsibility for that." He would then get back to me by going to Poindexter or McFarlane and they would go to Casey and sometimes Casey would make another decision.

Mr. KERR. So I get perceptions clear, did you come away over time with the impression that Colonel North, when he asked for something, was in all likelihood going to be backed up by the Director?

Mr. GEORGE. No. We had plenty of fight-outs, Ollie and I, over things, especially the hostages things. When I knew about it and I took him on, I could get my way with Bill Casey.

Mr. KERR. Let me turn to another area completely, and that is the testimony that you gave to the House Permanent Select Committee on Intelligence on October 14, 1986. You will recall that that testimony was given shortly after the Hasenfus plane was shot down.

Mr. GEORGE. I do, sir.

Mr. KERR. And you will recall that you made an opening statement in which you, at page 4, stated categorically that the Central Intelligence Agency was not involved directly or indirectly in arranging, directing or facilitating resupply missions conducted by private individuals in support of the Nicaraguan Democratic Resistance.

Do you recall making that statement?

Mr. GEORGE. I know I did.

Mr. KERR. Whatever you knew then, as of today, you know that that statement is incorrect?

Mr. GEORGE. The statement—let me try to—I don't want to say that I know that statement is incorrect. Let me tell you what I think and then jump me.

As an institution, the Central Intelligence Agency did not basically organize and conduct the Hasenfus flight or the other highly complicated private-benefactor activities. Yes, you are right. Reading it legally and tightly, and I will apologize, I would like to apologize to Senator Cohen, and if he were here, I would apologize to Senator Nunn. You could say I was wrong.

One, I did not know about the [Castillo] incident. And two, technically speaking, we had received permission a year before to pass vectoring information through the FDN, which would then get in the hands of the private benefactors. I am told it is an incidental detail that the Hasenfus flight did not receive that information. But technically, I apologize. I'm wrong.

In a larger sense, I would like to tell you, because I spent every breathing minute from 1 October 1984 to this date, it was not the overall attention or activity of the CIA to direct or participate in the Hasenfus flight.

Mr. KERR. Let me add one other thought, though. Apart from [Castillo], we have now developed, and you all have developed through your IG, information relating to [deleted], who's known as [deleted], and to [deleted], relating to the transportation of lethal equipment using CIA helicopters in the period after the Sandinista incursion in approximately April of 1986 and for a considerable period after that.

You have only recently learned of that activity; isn't that correct?

Mr. **George**. The [Castillo] activity came out in November, December, January of '86–'87. The [deleted] activity came out in March or April, I guess, counsel. Yes, recently, and I am the most bewildered man in the world about [deleted]. I don't quite know what happened there.

Mr. **Kerr**. Insofar as ammunition and weapons were being transferred in helicopters out of [deleted], that would have been a violation of policy?

Mr. **George**. It is certainly a violation of our policy.

Mr. **Kerr**. Apart from what the Agency itself was doing, you also were present when Mr. Abrams was asked some questions, which appear at page 17 of the transcript.

Chairman Hamilton asked whether or not the same denial applies to the U.S. Government across the board. You said that you couldn't speak for the entire U.S. Government, simply for the Central Intelligence Agency.

Mr. Abrams did not have that qualm. He, in essence, said that he could speak for the Government, and that that activity had not taken place.

As of the time that you were listening to Mr. Abrams make that statement, you knew that statement was not correct; didn't you?

Mr. **George**. I was surprised he made the statement. I don't deal with Mr. Abrams often. He deals with the chief of our Latin American Division. My contacts at the State Department are Ambassador Abramowitz and Ambassador Armacost.

You know, I perceived that the National Security Council was and had been in some manner participating in some way in supplying the Contras, and that had grown on me. I saw it sort of coming when I was Director of Congressional Affairs in the spring of 1984 when talk began, can't we get private support if we lose the Boland fight.

Everbody—Bill Casey, Ollie North, certainly the rest of the White House—never talked to me about it. They were very good about it. People could have started telling me things, and I could have been put in a very embarrassing position. They didn't.

I was surprised that Abrams made that statement. It was so categorical.

The question is, should I leap up and say, "hold it, Elliott, what about—excuse me, all you members of HPSCI, but Elliott and I are now going to discuss what we know about"—I didn't have the guts to do it or I didn't do it.

Mr. **Kerr**. The members may want to pursue that with you.

My question is less on jumping up and down and more on what you knew at the time. You knew as of October, 1986, that Colonel North had a direct and indeed controlling interest in the aircraft and the like that were being used by the private benefactors.

Mr. **George**. I wouldn't use those words. I would never say he had a direct and controlling interest. I never said that.

Mr. **Kerr**. Is it not a fact per your testimony in deposition that Colonel North had offered to sell to the CIA through you the aircraft of his project in Central America?

Mr. **George**. As we reached the end of fiscal year 1986——

Mr. KERR. So that would have been——

Mr. GEORGE. —and the vote was perceived by the White House that [deleted]. I don't have a date, but as you and I have discussed, I received a phone call from Colonel North. He didn't say to me, "I own, control, run, manage and fully have these airplanes." He said, "Would you like to buy some airplanes?" And he discussed the private-benefactor airplanes.

Mr. KERR. In terms of placing that in time, that would have occurred before October 14, 1986, correct? The new fiscal year had begun at that point?

Mr. GEORGE. You have studied it. I can't argue with you. You know what my thinking was, I wouldn't buy those planes if they were the last three planes in Central America.

Mr. KERR. Yes, sir. The other point that I wanted to make sure gets fleshed out, Colonel North was offering to sell the aircraft, not give them to you.

Mr. GEORGE. God bless poor Colonel North. Everything was his, the world is mine, I'm going to see the President, I'm going to see the King, I'm going to fly down to Central America and have a private conference. How would you like some tickets to the Redskins game? Christ—Colonel North calls me up and says, "How would you like to buy my airplanes?" I guess what I'm saying, counsel, is, were I to have been so foolish as to say yes, I'll buy your airplanes, I'm not sure he could even produce any airplanes.

Mr. KERR. You did not go and kick the tires on the car, I understand. But your perception was that he was asking the CIA——

Mr. GEORGE. Would the CIA please buy back all the equipment that the private benefactors had put together in Central America now that the administration had achieved its goal of renewing [deleted] financial support to the Contras in Central America.

Mr. KERR. Similarly you were familiar that earlier in time, Colonel North had been the one that offered to rent to the CIA the vessel the *Erria*; isn't that correct?

Mr. GEORGE. Colonel North met with a very—that is not fair—level officer. Well, there was a series of meetings. I thought they were in 1985, and thanks to you I had a chance to check; it was in 1986, a series of meetings [deleted].

[Deleted].

Oliver North arrives on the scene—you have dates—and just hustles out of me and a couple of guys in the situation room that he can get me a ship. I'm not speaking against Colonel North. I do not want any equipment that Colonel North has.

Mr. KERR. One of the reasons that you didn't want this particular piece of equipment——

Mr. GEORGE. Although it only cost $200,000 I got to rent it for a million and a half a month, so it was not the best deal I'd ever have worked for the taxpayers.

Mr. KERR. On October 14, 1986, when Mr. Abrams is making these statements, you may not know who actually has title to these pieces of equipment——

Mr. GEORGE. Colonel North, I knew long before that, even without the evidence, counsel, that you're bringing correctly, yes. I don't know about [*C/CATF*] testimony, but it became evident to [*C/CATF*] and to me, and back to what I said, when John McMahon and I picked [*C/CATF*], it became evident in the fall of 1984 that we were going to get into deep, deep water and that someone somewhere in the National Security Council was going to certainly support the Contras and they were going to seek private funding.

We assumed Ollie knew about it. Ollie would say in a telephone conversation, "Oh, my God, I got to get out of the Central American thing." And I am neither a coward saying, "don't you ever say that to me again," nor a fool and say, "oh, tell me what you're doing," and he never did.

I assume, thanks to this committee and all that has gone on, we now know a lot about it.

Mr. KERR. Thank you, Mr. George.

Mr. Chairman, I'm finished.

Chairman HAMILTON. Mr. Genzman, do you have any questions at this time?

Mr. GENZMAN. I do not at this time, sir.

Chairman HAMILTON. We will begin, then, with the principal questioners, Senator Inouye.

Chairman INOUYE. Senator Cohen.

Can I make an announcement at this time, Mr. Chairman?

Chairman HAMILTON. Senator Inouye.

Chairman INOUYE. I would like to announce to the members of the Senate panel that we will have a special meeting in the anteroom during the 10:30 break.

Chairman HAMILTON. I will make an announcement at this time, too. The House members will meet immediately after the end of the morning session to consider some immunity questions. And I would announce this as well: There is a closed session with Admiral Poindexter, for any interested members, in room 219 of the Hart Building at 1:30 this afternoon. The subject matter, I am told by Mr. Liman, is very limited in nature and the meeting will be quite brief, I presume.

Mr. LIMAN. About half an hour.

Chairman HAMILTON. Mr. Liman estimates about a half hour.

Senator Cohen, you may proceed.

Mr. COHEN. Perhaps the record should show that Mr. George engaged in a deep huddle before responding to the chairman calling upon me, and secondly, the record should note that he is sporting a Boothbay Harbor tan, which I am told——

Mr. GEORGE. I would urge everybody to hurry there, but that would be a terrible thing to say right now.

Mr. COHEN. You indicated you were quite surprised that Elliott Abrams made a statement before the House Intelligence Committee that no one in the U.S. Government had any knowledge about U.S. participation direct or indirect with respect to the Hasenfus matter, and that you remained silent.

[*C/CATF*] testified yesterday that he sat there at the same table and decided he wasn't going to be the first one to break rank, that he was aware the statement was incorrect as well, but that he felt as the junior member of that team he should not be the first one to step forward.

You may recall that I asked Elliott Abrams during the open sessions whether or not he felt betrayed by a number of different people, particularly apparently since there were some sitting at the same table who knew what he was saying was incorrect. I believe he indicated at the time, yes, he had even called the White House to say, "Is this the White House line, am I doing the right thing," before he made the statement.

The question I have is in response to what you said today. You said, I guess I didn't have the guts to challenge Elliott Abrams at that hearing. The question I raise is, why not?

I must tell you, and we know this, you and I have been at many individual meetings, had a panel of witnesses, sometimes one of us will pose a question and there will be a conference between the members and saying, wait a minute, don't say this, don't say that. It is done all the time. It is done all the time at a conference. Whenever you have a tripartite panel as such, there is always kind of a little conference in response to a question that one of us might pose.

Why at that moment, when something as critical as the issue of U.S. involvement in Nicaragua was posed by the House Intelligence Committee, didn't you at that point just pull Elliott aside and say, "Hold on a second; you're making a statement which is not correct"?

Mr. **George**. Two things. Excuse me.

I was overly—I don't want to use the word "obsessed." I don't like it. Overly taken with trying to protect the Central Intelligence Agency.

Whatever my strengths and weaknesses, I bopped around a lot of time, you have, too, we know the troubles we were in in the seventies. I was almost megalomaniacal in trying to prove one thing. That we were not involved in that activity because it would have been illegal.

That was the thrust of my testimony to the HPSCI and you may or may not recall I made the same sort of statements, if you don't I will tell you—to the Senate Foreign Relations Committee in front of whom I also appeared. I perceived my charter too small. I really took off out of the building to come down here on the Hill and make that point, that we were not doing it.

Secondly, I found the statements so categorical on the part of Mr. Abrams, it wasn't sort of well, we are not in the State Department and maybe they are not here in that. It was so categorical, it was the sort of thought that went through my mind—excuse me, Elliott, but maybe you are the only guy in town that hasn't heard this news. You know, there's a three inch Nexis press run about Ollie North and the Contras. There was a staff meeting, if I understand correctly, between the HPSCI and Ollie North somewhere in the summer of 1986, discussing Ollie North and the Contras. I've just—I'm just sort of amazed, and yes, I can only apologize that I didn't sort of say—and we have, Senator, and I know we have, because you and I have been at this a long time. Off the record, please, couldn't you discuss something with Elliott. I didn't. I should have.

Mr. **Cohen**. Well, Elliott went back to the State Department and apparently some of his aides said Elliott, you may have misled the committee in terms of another appearance on the Hill.

Mr. **George**. It's a terribly categorical statement that no one in the Government of the United States of America is involved in any way whatsoever with the Contras.

Mr. **Cohen**. On another occasion he testified before the Senate Select Committee on Intelligence and was asked a question by Senator Bradley concerning solicitations. He omitted the Brunei solicitation. He went back to the State Department and apparently he was concerned enough about it, he wanted to correct the record in December of 1986. I'm just wondering in terms of what happened with Elliott Abrams when he made a misstatement or didn't reveal something to the committee that he should have, he was corrected by his superiors as such and suggested that he come back to the Hill.

I'm curious in terms of that particular session that you all had with the HPSCI, didn't someone either [*C/CATF*] discuss this with you, say, "Wait a minute, we have got the [Castillo] vector information activity, that that statement that Elliott made is not quite right; perhaps we should take this up with the HPSCI on a following day.

"Should we call Chairman Stokes and say look, this wasn't quite accurate. We were sitting there. We remained silent. We were not asked the question. Had we been asked, we might have said this, but we think you should know about the following."

Why wasn't that done?

Mr. **George**. Why there was no followup, Senator Cohen, I am unable to answer.

Excuse me. [Deleted] reminds me—well, he knows more about Central America than I do. I'm sure you don't mind me having this three-way conversation for a moment.

My statement that the CIA had no involvement whatsoever with the Hasenfus flight, as you know, was later corrected, both with the HPSCI and with the SSCI after we found out the information about [Castillo]. I think the question was why didn't we correct Elliott Abrams' statement.

Mr. **Cohen**. The problem I have is that at the time he made a statement, you know—if you didn't know, certainly [*C/CATF*] knew that we, through [Castillo], were, in fact, providing flight vector information directly to the Contras. Isn't that true?

Mr. **George**. We learned afterwards that [Castillo]—I guess we knew before that [Castillo] had provided it directly. We learned afterwards he had provided more of it, and we knew that we had provided it indirectly through [deleted] and the FDN radio cutouts. That's correct, Senator Cohen.

Mr. **Cohen**. It was known that he had provided flight vector information at the time Elliott was making a statement. It wasn't you had to wait——

Mr. **George**. It was not you had to wait, check the books, or call your grandmother. You are quite right. I agree with you.

Mr. **Cohen**. The problem is that we were acting—the problem I have is in your statement that you had this megalomaniacal desire to protect the Agency, is that in that desire to protect the Agency, you may have, in fact, undermined its credibility in terms of people coming up to the Hill and dealing with the oversight committees and saying, now we have to go through a litany of questions.

Say, Mr. George, I am going to ask you these questions. [*C/CATF*], I want you to say the same thing for the record. Everyone, you will now have to answer the precise question, maybe under oath, maybe not. I mean that is a way in which we start to unravel the integrity of the Agency through the oversight process.

Mr. GEORGE. I deeply appreciate what you are saying.

Mr. COHEN. OK. Would you go back and discuss some of Colonel North's proposals? I think you have described him as a fairly energetic, creative, full of ingenuity as well as zeal in terms of trying to deal with issues. [Deleted].

[Deleted].

Mr. COHEN. What about the proposal of having the Contras grab a piece of land in Nicaragua, hold it, go down fighting with guns blazing a la the Alamo and then thereby rally congressional support to come to their aid or watch them be totally destroyed.

Mr. GEORGE. I am familiar with that thanks to these hearings, sir. I never——

Mr. COHEN. Never heard of that one?

Mr. GEORGE. They never allowed me to participate in that one. [Deleted].

Mr. COHEN. In view of the kind of creativity taking place [deleted], what about the diversion itself? What is wrong with a plan that was conceived by either Colonel North, the Israelis, Ghorbanifar, maybe Secord, of selling the weapons once the decision was made by the President on January 17, 1986, selling weapons, increasing the price, have enough left over after Ghorbanifar got his substantial cut, to put money to the other major program that the NSC was charged with running?

Mr. GEORGE. You do not sell U.S. Government equipment to make a profit, to engage in international activities that are neither authorized nor appropriated by the U.S. Congress. I don't want to sound like a Mickey Mouse, but——

Mr. COHEN. You said that so quickly that I am wondering. Is that pretty standard faith of the CIA you would never allow this to take place to sell U.S. property at a profitmaking price so you could use it for another purpose?

Mr. GEORGE. I'm sure that we in the CIA without proper authorization would not sell U.S. Government property for a profit. That's a very large subject, and I'd be here long.

Mr. COHEN. Explain the difference to me of what you just said. I asked you what was wrong with it? You gave an answer.

Mr. GEORGE. What was wrong with this—this is——

Mr. COHEN. I just want clarification.

Mr. GEORGE. This is Clair George's half minute, personal opinion.

Mr. COHEN. You are the one in charge of covert operations.

Mr. GEORGE. We are engaged in covert operations with the authorization and approval and appropriation of funds of the U.S. Congress.

We obviously conduct many—and you and I have been in many roundabouts where we didn't get the proper approval, where we didn't do what we said we did, but we do our best. The activity that we are looking into today was neither authorized nor appropriated. It contained private funds. They were spent for activities that the Congress was not engaged in and I think it might have been for activities that were not properly—5-year hearings have proven to me—were not properly vetted through the senior Executive Branch of the Executive of the United States.

At the bottom of it is you cannot take U.S. weapons and just go out and sell them for a profit and use the profits as you see fit.

Mr. COHEN. What I am saying is that is pretty well accepted at the Agency.

Mr. GEORGE. That's the gospel. That's the way you and I worked together for 6 years. I can't work any other way. I know I screw it up now and then, but I do my best to make it work that way.

Mr. COHEN. The point is it's a matter of doctrine at the Agency: you simply do not do this?

Mr. GEORGE. With U.S. funds. I don't spend U.S. funds or use U.S. property without proper authorization.

Mr. COHEN. If you sell U.S. property at a profit, that money belongs to the United States.

Mr. GEORGE. [Deleted].

You know that. You have allowed me to do that. I do that.

Mr. COHEN. The second tenet I assume at the Agency is you never allow the mixing of two covert activities so that one ends up funding the other?

Mr. GEORGE. That is illegal. It is not illegal. It's against the rules of the plans.

[Deleted] in the comptroller's office runs [deleted] program. He runs [deleted] program. We don't yank it out of [deleted] and ship it to [deleted].

Mr. COHEN. Because one of the dangers inherent in such a combination of the two covert actions, in using one covert action to fund another, is that inevitably you have a conflict of interest arise, do you not?

Mr. GEORGE. Well, that was not where—I was looking at it more that that would be improper. You have authorized me one million dollars to [deleted]. I take $50,000 and take it off to [deleted] and [deleted], I have not done what I have been authorized to do either by my own leadership or the authorizing, appropriating process of the U.S. Congress.

Mr. COHEN. OK. My time is running short. I will try and close this part of it rather quickly.

In any event, it is pretty well established at the Agency that at your level, and I would assume all the way through the Director, you simply do not conduct covert actions in this fashion. You do not allow the inflation of the price of the sale of weapons to then be used for a purpose not otherwise authorized?

Mr. GEORGE. Correct.

Mr. COHEN. Can you conceive of why the Director would have agreed to such a proposal? If he did?

Mr. GEORGE. Did he?

Mr. COHEN. I am asking you whether or not in your experience in dealing with Director Casey he would have approved of such a diversion of the proceeds for an off-the-shelf, independent, standalone fund to be used for other covert activities in the Middle East or to use a portion of the funds for the Nicaraguan Resistance?

Mr. GEORGE. The off-the-shelf, stand-alone, run-yourself spy service, which I had never heard of until, thanks to you, I heard of it as

I understood it was sort of a self-generating private business, hopefully not making its money on arms. All of those things, to answer your question, sir, my experience with Bill Casey was absolute. He would never have approved it.

Mr. **Cohen**. I've got many more questions, Mr. Chairman. I will forgo them at this point.

Chairman **Hamilton** Senator, I will be glad to yield some time to you at a later point if you like.

Mr. Boland is recognized for 20 minutes.

Mr. **Boland**. Thank you, Mr. Chairman. Good morning, Clair.

Mr. **George**. Good morning, Mr. Chairman.

Mr. **Boland**. A number of these questions you probably have answered, but I find it rather troubling with the CIA officials who have been up here, with Duane Clarridge, [*C/CATF*], and now you, the inability to not recollect, not to remember, or to indicate when you were giving some answers here that you trail off into a blah, blah, blah, about what you knew or what you didn't know.

In my experience, as you know well, in my experience as the chairman of the House Permanent Select Committee on Intelligence, I found the officials of the CIA to be very cooperative during that period of time, some 7 years. And because of that cooperation, I think that the intelligence community, particularly the CIA would agree, that the communication between the intelligence community and the Congress was at probably its highest point in years as a result of our cooperation and also the Senate's cooperation with what the intelligence community demanded and what it required during that period of time to build back its ability to give the kind of service that the intelligence community should give and essential service to the Government on intelligence.

Because without the CIA and the DIA, and the NSA, the ability to meet some of the problems around the world and inform this Nation or its leaders about what is going on, of course, is impossible.

So I am going to ask a few questions that you responded to, but I would like to get perhaps a little clearer answer on some of the responses that you gave.

First of all, let me ask the question: How many CIA personnel were assigned to the National Security Council? If I read it correctly you had [deleted], who is the Deputy Chief of the Near East Division, in some of the problems. And then he was replaced by Mr. Cave who, as I understand it, was a consultant to the CIA but was brought back on the payroll of the CIA after he became a—after he joined the NSC and was tasked by North on particular areas. Then Mr. Allen.

Is that correct? Are there any more?

Mr. **George**. [Deleted] was our Deputy Chief of our Near East Division and after the Finding you are quite correct, on three occasions he went to Europe for meetings including Mr. Ghorbanifar and then, yes, you are correct, Mr. Cave, who is a retiree with full Farsi and Iranian experience, went to meetings after that. That's correct.

Mr. **Boland**. Now you will note that—I am sure you do know because some of the CIA people I'm sure have informed you on the questions that were asked of Duane Clarridge and also [*C/CATF*].

One of the most troubling questions was the response given by them and also by you with reference to the—in the so-called full prohibition Boland Amendment which was enacted into law in October 1984. As you know that law forbade the CIA from supplying any direct or indirect assistance to military or paramilitary operations in Nicaragua.

Although the strictures of the law were loosened over the next 2 years, first to allow for the provision of humanitarian aid and then to allow for the exchange of certain types of intelligence information, communications equipment, and infrastructure support, the CIA could not provide any military assistance to the Contras from October 1st, 1984 through October 18th of 1986.

Mr. GEORGE. That's correct.

Mr. BOLAND. In your deposition, you testified that there were intense discussions in the CIA after the enactment of each Boland Amendment. At what level were those discussions held? Did you participate? Did Casey? Did the General Counsel or a representative of that office participate? And what kinds—what kind of guidance was provided to CIA personnel in Central America as to what they could do and could not do with respect to the Contras between October 1984, and October of 1986? And would you provide for the record copies of any written instructions sent to [deleted] in Central America on compliance with the Boland Amendments in effect during this period?

Mr. GEORGE. Mr. Chairman, of course I will.

I do believe many of those written instructions are now a matter of record of this committee, but I will assure that they are. If you like——

Mr. BOLAND. In substance what were they? In a relatively short time. We don't have much time up here.

Mr. GEORGE. Beginning the first of October, 1984, we accepted the absolute total and complete cutoff of any support whatsoever to the Contras, and I believe there are a series of cables from my office, from the Latin American office, from the Central American Task Force. [Deleted] says—this is dated 12 October 1984. "We are in the process of obtaining the legal reading as to what we can and cannot do in our dealings with the FDN in light of this Congressional action. Until such a reading is obtained, all field stations are to cease and desist with actions which can be construed to be providing any type of support, either direct or indirect, to the various entities with whom we dealt under the [deleted]"—which was our previous paramilitary program. "All future contact with those entities are until further notice to be solely—repeat solely—for the purpose of collecting positive and/or counterintelligence information of interest to the U.S. Government."

Mr. BOLAND. Thank you. That is a rather positive direction. Let me ask you: This committee has received evidence indicating that [Castillo] was an integral part of the operation to supply Contra units in the field with weapons and ammunition, in the so-called Secord supply operation. When did you first become aware of [Castillo's] activities and from what source?

Mr. GEORGE. There was great concern as the amendment was modified over the years as to what we were allowed to do, and I think we were very cautious and very careful to read——

Mr. **Boland**. Was there really any great concern in that period, from October 1984 to October of 1986 with respect to the kind of activities [Castillo] was engaged in in [deleted]?

Mr. **George**. Chairman Boland, yes, sir. Yes. There was no other issue that we worried more about.

Mr. **Boland**. Would you quarrel with my description of what [Castillo]—that [Castillo] was engaged in what one could say was a military operation down there?

Mr. **George**. I would say that [Castillo's] activities were against the procedures and the regulations of this directorate.

Mr. **Boland**. All right.

Mr. **George**. I would also—and I would—you haven't asked me, but there 's a lot to be said for [Castillo] and the problems that he faced.

Mr. **Boland**. Well, when did you first become aware of [Castillo's] activities and from what source?

Mr. **George**. I first became aware of the fact that [Castillo] had a radio and was transmitting independent information to Oliver North in late October 1986. I became aware in the summer that [Castillo] had possible—had one or two direct contacts by telephone with the private benefactors in [deleted].

Mr. **Boland**. How did you learn this information?

Mr. **George**. I learned the information about his contacts with the people in [deleted] from [*C/CATF*], who had just returned from a trip to Central America where he had found out either directly from [Castillo] or from [Castillo's] associates.

Mr. **Boland**. I take it [*C/CATF*] informed you?

Mr. **George**. He informed me of everything.

Mr. **Boland**. Did you inform Mr. Casey of [Castillo's] activities?

Mr. **George**. I certainly did.

Mr. **Boland**. Colonel North testified that he thought you were aware of his Contra activities while they were ongoing.

Mr. **George**. Mr. Boland, I read that remark that Colonel North made about me. I would repeat what I have said previously. First of all, Colonel North was the National Security Council's point man in Central America. You dealt overtly and openly with Colonel North in Central America no matter what the issue was.

Mr. **Boland**. And you dealt with him frequently on the telephone?

Mr. **George**. Yes, sir. It was my impression that Colonel North was aware of, if not involved in, some of the private benefactor activity.

Mr. **Boland**. The testimony that the committees have is [Castillo] did not believe that his activities were secret, and he left the impression that anyone reading the cables would have been aware of precisely what he was doing, how he was doing it and at whose direction. If that is so, how do you account for [*C/CATF*] failure to provide you with information about them early on?

Mr. **George**. I think there is some question as to—there is a debatable point as to whether [*C/CATF*]—excuse me, [Castillo's] traffic, his telegrams and cables from [deleted], were explicit in the activities he was engaged in, and I have not made a study of those cables, and we have them, and they are in your possession. And I would sit down with you, sir, or anybody on the staff. I am not sure it is as clear as you describe it.

I would like to make a point about [Castillo]. He is an outstanding Central Intelligence Agency case officer.

Mr. BOLAND. And believable?

Mr. GEORGE. He is a friend of mine. [Castillo] became emotionally involved in a situation which I am not sure any of us can handle, and that is the pressure of lives of people in a war.

Secondly, [Castillo] faced something of interest to me that no one in the history of the American spy service has ever faced, and that is that you get someone to arrive at your [deleted] and say, "I have been sent there by the White House, and I have a whole different set of rules for you in addition to the ones from the CIA." I think [Castillo] was put in an absolutely impossible situation.

Yes, he did violate the procedures of our organization, but there is ameliorating factors in that.

Mr. BOLAND. Did you or did [*C/CATF*] ever give [Castillo] reason to believe that you intended to look the other way concerning his involvement with the North-Secord operation?

Mr. GEORGE. Absolutely not.

Mr. BOLAND. You testified in your deposition that you had been instrumental in placing [*C/CATF*] in the job as Chief of the Central American Task Force.

Mr. GEORGE. Correct, Mr. Chairman.

Mr. BOLAND. [*C/CATF*] was a CIA representative on the RIG on Central America, and North represented the NSC.

Mr. GEORGE. That is correct, sir.

Mr. BOLAND. You knew North from your days in Congressional affairs. What did you tell [*C/CATF*] about North? When you put [*C/CATF*] on as the Chief of the Central American Task Force, you had some personal knowledge of the personality of North. Did you——

Mr. GEORGE. I told—John McMahon and I went to Casey and told him the time had come to bring new leadership into the Latin American Division in the Central American Task Force. We told him that the strongest, most capable, most accomplished officer who could run what was going to be our most difficult job, which it has been, was [*C/CATF*], although he had had no experience in Latin America. When he took that job, I am sure I told him that Oliver North was a very powerful, very strong, hyperactive, busy, active man in Centeral America and that he had to watch it because in the fall of 1984, both of these players were walking through the same territory doing different things, as we now know.

Mr. BOLAND. Did [*C/CATF*] keep you informed about the activities of the RIG? Did he ever mention information to you North might have disclosed about his activities on behalf of the Contras?

Mr. GEORGE. The information, as described to this committee or associated with this committee's hearings, that somehow Colonel North advised the RIG of his activities in some detail, I do not believe, in the context of the RIG that [*C/CATF*] attended.

[*C/CATF*] kept me advised of the briefings at RIGs and never under any occasion in those 2½ years did he say Ollie North sat down and briefed us about all his activities in Central America.

Mr. **Boland**. You testified, I think, today that you had some understanding of the kinds of things that North was doing for the Contras. What was the basis for your understanding of the kind of things he was doing?

Mr. **George**. Mr. Chairman, I don't mean to be in any way less than fair. I find it amazing that anyone in this town who claims that they were involved, watched, followed or were concerned with Central America would then be shocked to find out that Oliver North was deeply engaged down there. It was a matter of public newspaper record.

Mr. **Boland**. Yes, but what I am asking, the question is about the kind of things that North was doing for the Contras, and the reason, of course, the question is obvious, whether or not——

Mr. **George**. My final assumption was that Colonel North somehow, somewhere, someplace, some way was engaged in seeking support or knew about the seeking of private support for lethal aid to the Contras, which would have been directly in opposition to your amendment of 1984.

Mr. **Boland**. But the CIA was helping him?

Mr. **George**. The CIA was not helping him.

Mr. **Boland**. Obviously the CIA was helping him in [deleted]?

Mr. **George**. I did not know that.

Mr. **Boland**. That was his operation.

Mr. **George**. I did not know that.

Mr. **Boland**. This was pursued with Duane Clarridge, and let me pursue it with you, and I am sure you will have an answer that will be satisfactory.

Did Mr. Casey, or to your knowledge, any other CIA official, ever discuss approaching [deleted] with a proposal in which they would support the Contras during the pendency of the Boland Amendments in exchange for [deleted]?

Mr. **George**. There is a very famous trip of Mr. Clarridge to [deleted] in the spring of 1984. I am told, I have not read the cable traffic, this committee has it, that there was an indication that Mr. Clarridge was to discuss with [deleted] the general situation in Latin America, and [deleted].

I am also told there was a countermanding cable sent by Mr. McMahon which said you will not do that. I would only say that at the time that I was not involved with this directorate, I had a job outside—I was Director of Congressional Relations. I did not know that event. After I returned to this directorate, the first of July, 1984, Mr. Chairman, I have no knowledge of any occasion when we ever discussed with [deleted] help the Contras.

Mr. **Boland**. With respect to the Hasenfus shootdown and also your appearance before the House Select Committee on Intelligence—on October 14, 1986, after the downing of the aircraft, you and [*C/CATF*] and Secretary Abrams briefed the House Permanent Select Committees on Intelligence.

Mr. **George**. We did.

Mr. **Boland**. You made a categorical statement, you have done it today, and in your deposition, denying any direct or indirect CIA involvement with arranging, facilitating, or directing the resupply missions and indicating that the CIA had no knowledge of the resupply operation.

Had you discussed the statement you were about to make to the committee with [*C/CATF*] prior to your appearance before the committee?

Mr. **George**. I do not recall talking in detail about that specific categorical statement with [*C/CATF*].

Mr. **Boland**. And he didn't mention [Castillo's] activities to you before?

Mr. **George**. I don't think we had any idea of the size of [Castillo's] activities until after that hearing—is that correct?

Mr. **Boland**. Had the Central American [deleted] been contacted for information on the Hasenfus flight prior to your appearance before the committee?

Mr. **George**. If you will excuse me, I will ask.

[Counsel conferring with witness.]

Mr. **George**. We asked all our [deleted] what, if anything, they knew about the Hasenfus flight after it went down, and they all replied they knew absolutely nothing.

Mr. **Boland**. Was that [Castillo's] report to you too?

Mr. **George**. Yes, sir.

Mr. **Boland**. The resupply operation had been going on—there were a number of flights prior to the October 6th shootdown of the Hasenfus plane.

Mr. **George**. Yes, sir.

Mr. **Boland**. Because the resupply operation, by that method, started sometime I think in April of 1986—are you telling me that [Castillo] had no information with respect to that operation vis-a-vis a military operation, finding out where to drop the supplies, where they were going, and then getting in touch with the Contras or with Colonel North on the communication equipment that was supplied to him by Colonel North?

Mr. **George**. You know, after the fact, he did have contact with the private benefactors and with Colonel North.

Mr. **Boland**. Is it your testimony that when you appeared before the committee, the CIA had no knowledge of who was involved in the resupply operation?

Mr. **George**. I could not state it that way, Mr. Chairman.

Mr. **Boland**. Put it any way you want.

Mr. **George**. The CIA had general knowledge of the resupply operation. [Deleted]. We knew they were down there.

The private benefactors had arrived in force in late 1985 and early 1986. We knew they were there and what they were doing, and over and over we sent telegrams and cables and telegrams to our people to stay away from them because we could have nothing to do with that operation. That other—here is where I get myself in trouble—other than what we were allowed to do under the Boland Amendment, which allowed us to provide intelligence to them and other such support.

Mr. **Boland**. Let me turn to another question. Secretary Shultz testified that information available to him caused him to conclude that the Government of Iran had absolute control over the hostage-takers. What degree of control did the CIA believe the Government of Iran exercised over the hostage-takers?

Mr. **George**. A great deal, but not all, and it was our judgment, which we passed regularly when asked, that under no conditions would the Government of Iran ever, ever allow all the hostages to be released, nor will they ever all be released because the only leverage that those who hold the hostages have is the hostages, and so why would they give them up?

Mr. **Boland**. Clair, you have had a long experience with the CIA—what, 32, 33 years?

Mr. **George**. Thirty-two years.

Mr. **Boland**. Almost as long as I have been sitting in this Congress. In the time that you appeared before the committee, when I chaired the House committee, I found you to be believable when the right questions were asked, and that is one of the problems I think that we experience all the time on both committees.

But in any event, I must say that the experience that you have given to the intelligence community over those years I think has been invaluable to the Government in many respects, and I thank you for being with us today and wish you well.

Mr. **George**. May I say, sir, that it was under your years as chairman of the HPSCI that, starting in 1978 and going up until the time we left, that we rebuilt the intelligence community, and we are deeply grateful to you personally for what you have done for us.

Mr. **Boland**. Thank you very much. Thank you, Mr. Chairman.

Chairman **Hamilton**. Let me remind members and all present again that this is an executive session. We have been hearing from Mr. George some very sensitive matters, and the rules of both committees require that none of this information go beyond this room.

The Senate is meeting in the anteroom now, and, Mr. George, I think it might be helpful for the record if you identify the CIA personnel here in the room.

Mr. **George**. At the far end with the beard is John Rizzo, the Deputy Director of our office of Congressional affairs. To his right would be [deleted]. He is the lawyer that I put in the Central American Task Force from 1984 to 1985 to try as best we can to follow the Boland Amendments. [Deleted] has been my lawyer there. Kathleen McGinn, a representative of the Office of the General Counsel; [deleted], Office of General Counsel; my personal staff aid, [deleted]; and from the White House, Dean McGrath.

Mr. **Boland**. Who is minding the store?

Chairman **Hamilton**. Thank you very much. We will have a 10-minute recess.

[Brief recess].

Chairman **Hamilton**. The Joint Committees will come to order.

I am told that the Senate meeting, which is now taking place in the anteroom, will break up shortly, and we will go ahead and proceed.

Mr. Courter is recognized for 20 minutes.

Mr. **Courter**. Thank you very much, Mr. Chairman.

Good morning, Mr. George. You indicated in your testimony earlier this morning that [Castillo], as far as you are concerned, violated CIA procedures and regulations, and I just want a clarification of that. I wanted to know, and I am sure you are familiar with a General Counsel's opinion in CIA indicating that [Castillo's] activity was not a violation of the Boland Amendment——

Mr. **George**. That is correct.

Mr. **Courter**. I wanted to make sure that when you indicated violation of CIA regulations you were not referring to the Boland Amendment?

Mr. **George**. Yes, I am informed that from a legal point of view, [Castillo's] activities are debatable if they were illegal. My only point was that our policy, as issued from my directorate, was to not have contact with the private benefactors in the manner in which he did. As I said before, I have great sympathy and great understanding for [Castillo].

Mr. **Courter**. Are you familiar with that opinion by George Jameson, Associate General Counsel? Have you read it?

Mr. **George**. About [Castillo]; I believe I did read that, sir.

Mr. **Courter**. Do you generally subscribe to its conclusions?

Mr. **George**. I am not a lawyer, but he is my legal adviser. I would have to subscribe to those conclusions.

Mr. **Courter**. Mr. Chairman, I just want to make sure, is this legal opinion part of the record?

Chairman **Hamilton**. Is that part of the exhibits?

Mr. **Courter**. I don't know.

Chairman **Hamilton**. We will make it part of the record, without objection.

Mr. **Courter**. Thank you very much, Mr. Chairman. I appreciate that.

There has been testimony and also other evidence to the fact that Bill Buckley, [deleted], was captured and also tortured and died. Were you familiar with that?

Mr. **George**. Terribly familiar, probably as familiar as anybody in the Central Intelligence Agency.

Mr. **Courter**. Was Bill Casey, the Director of Intelligence, familiar with that event?

Mr. **George**. Very concerned, very familiar, an issue on Mr. Casey's, Mr. McMahon's and my plate every day of the week of every month of that horror from February 1984 until final confirmation that he was dead.

Mr. **Courter**. Do you believe that his capture and torture was something that influenced Bill Casey's activities with respect to his desire to continue the Iranian initiative for the release of hostages?

Mr. **George**. It could have been. Bill felt—the Director felt very strongly about this, as we know, and I happen to know personally, [deleted]. I cannot exaggerate to you—I am obviously not totally knowledgeable of the impact of the hostage affair on Casey—and from my reading—I do not personally deal with the President—but I think we must all assume and accept the President's deep, very human, concern—you know, I am—I don't know what you do in a situation like this. Again, here is poor Oliver North—the families of the hostages are, as I would hope my family and yours, are beating at the door of the White House demanding someone do something about their sons or their brothers or their husbands.

I think, frankly, the mistake was made—the mistake was really made to have allowed those families into the Oval Office to see the President. That is just too much for the President. I know on several occasions that happened, and I have been informed by those who were there it was extremely difficult. So politics aside, one must absolutely recognize that throughout that period, from early 1984 until November of 1986 and it is still a concern of ours, and we work it as hard as we can, but at this moment hostages played a big, big role in the thinking on the part of the President and Bill Casey.

[Deleted].

Mr. **Courter**. Let me pass on from that to your testimony that you gave on Tuesday, October 14, 1986, before the House Select Committee on Intelligence. My good friend, Congressman Ed Boland, indicated that he had had and enjoyed a long and constructive working relationship with you, Mr. George, and he is convinced that if the right questions having been asked, the right answers would have been given, and that just kind of underscores his fairness, I think. I was not there at the time.

My view, very frankly, is the fact that the right questions were asked and the wrong answers were given. Maybe I am the wrong one to judge that, not having been there and seen the questions asked, but reading the transcript, I get the feeling that when you and the other two individuals testified on that day, Elliott Abrams was one of the others, and [*C/CATF*] was the other——

Mr. **George**. That is correct, there were three of us.

Mr. **Courter**. That there was a clear effort on your behalf that resulted in the committee being misled, and the answers to the questions would, in my mind, be similar to the types of answers that I would give if I were someplace being interrogated by hostile people rather than friendly people.

The question I have—this is my opinion, of course—the question I have is whether there was a feeling in your own mind that you were uncomfortable in leaving the committee with the impressions that you knew—that I believe you knew at that time to be false.

Mr. **George**. I mentioned previously very slightly to Senator Cohen—I apologize certainly to him and all of you for any indication that I was misleading that committee. My intent, which may or may not excuse me, was above all, as I said earlier, almost to the point of megalomania, to make the point that the Central Intelligence Agency as an entity was not involved. I was so concerned about us, the CIA, as I testified, have been so concerned about our Operations Directorate since 1984.

I later found out about [Castillo], which is another subject, and we corrected the record, but that doesn't answer your problem. The problem is that when the Assistant Secretary of State for Central American Regional Activities testified categorically that no one in the U.S. Government knows anything whatsoever, at all, about the support to the Contras, where I had suspected on from the fall of 1984, that there was some indirect connection on the part of the National Security Council, I was never totally aware of how it worked, I don't picture myself as a witness, and I have been a witness off and on, sir, for 8 years, interrupting someone and saying that is not right.

I think Senator Cohen or someone said to me, what I would agree with—I owed—what I owed was a telephone call to Elliott Abrams saying, "Elliott, if you don't know the way it is, that is not the way it is. I don't know what it is, but you shouldn't run around Washington categorically stating that nobody nowhere at all anywhere in any way is supporting the Contras."

I did not do that, and I can only say I would never—there were later comments in the press I had lied—I don't lie, and I did not mean to lie.

Mr. Courter. Mr. George, at that time, October, 1986, you knew that, at least according to your testimony today, that [Castillo] had dealt directly on occasion——

Mr. George. I didn't until after the testimony, Mr. Courter. I knew that [Castillo] had had some direct contacts with the private benefactors in [deleted] and [deleted], which was against the interpretation of Boland 4, in which those contacts to pass intelligence would have to go through [deleted]. I did not know [Castillo]—excuse me—[deleted] remined me that went against the law, it was against the policy. I did not know, sir, until after the testimony of 14 October 1986, before the HPSCI that [Castillo] had the radio and had been in direct contact with Colonel North.

Mr. Courter. Is your—and this is I think an important question, although you may not think it is such—is your understanding of your responsibility to your department, to the government and in testifying fully and completely before committees in Congress—do you think it goes to the extent that if unwittingly you misled a committee, but subsequent thereto found out information that gave clarity to your own mind that your prior testimony had been false, although not false as far as you were concerned, do you think that your obligation goes so far as to compel you to contact the committee and inform them of the additional information?

Mr. George. Absolutely. As far as the [Castillo] testimony—these are two things now, there is the Elliott Abrams problem and the [Castillo] problem, there are my statements about the CIA and Elliott's statements about the U.S. Government—the institution at my behest corrected the record of my statement about the Agency, and I feel comfortable with that. I would not pretend to feel comfortable about the fact that I did not react quickly either with the committee or with Mr. Abrams to question his testimony.

Mr. Courter. There are two areas where I believe that very important people in the administration, including the President and the various Secretaries, seem to have differences of opinion, those opinions obviously being based on intelligence. Some of that intelligence may have come from CIA, some from DIA, some from other sources. But one was an apparent feeling in the President's mind that during the time of the weapons sale, particularly in 1986, that Iran was either stalemated or losing their war effort against Iraq, whereas the Secretary of Defense said that clearly was not the case.

The other, there seems to be a split on the intelligence with respect to whether there were such things as pragmatists or moderates or people you could approach in Iran, the President feeling that there was, and once again Secretary of Defense Weinberger believing that there was not.

In your opinion, and based on the information you have, was the intelligence gathered by the CIA and provided to appropriate sources by the CIA consistent to which one of those areas—number one, on whether there were moderates or pragmatists or just all radicals over there; and, second, on who was winning the war effort?

Mr. GEORGE. Let me take the war effort first. My Director is not the purveyor of finished intelligence to the community, as we call it, read the President and his men. My Director, however, is a collector of intelligence on this situation in that war, [deleted]. There is no doubt in my mind, nor was there any doubt in the policymaker's minds in 1984, 1985, and 1986 that the country that was in danger was Iraq. The belief was that Iran held the superior manpower and the ability to last longer, [deleted].

And at no time was I told by the White House, the State Department, the Defense Department, the Director of CIA or anyone else, [deleted], that their opinion was anything other than Iraq was the weaker party in the war.

Mr. COURTER. Do you have any idea where the President might have received this type of information?

Mr. GEORGE. From the press and from your hearings, I know of what you speak—I do not know. If he was being told that the Iranians were in trouble, maybe—I do not pretend to be the ultimate judge of the war, [deleted].

[Deleted].

Mr. COURTER. Based on CIA's intelligence, do you take the Shultz view, that there are pragmatists in Iran, or the Weinberger view that they are all killed?

Mr. GEORGE. Well, they were certainly not all killed. The generalization, are there any pragmatists in Iran—does anybody play the piano in the Fiji Islands—yes, somewhere. I am not sure that is what you are looking for. What you are looking for is someone who—with whom you can open a dialogue and talk to them about the possibility of meeting common accommodation on overall international affairs and political problems.

With all the hell that we have been through since last November, and I am some guy in the CIA, I think there are people you could talk to, if you could get to them. There are people whose interests are not to continue the way it is going, and I think the second channel, which is the way it has been described to this committee and to the public, this was after Ghorbanifar got thrown out, and we got in touch with [deleted], if this hadn't happened and we broke off, [deleted]. We shouldn't all sit around and say he is a moderate or democrat or good guy or socialist, or whatever, what can he do for us?

Mr. COURTER. Lastly, could you tell us what you know about the DEA-proposed operation for the release of the hostages in 1985, whether Ross Perot was involved—what do you know about that operation?

Mr. GEORGE. Let me give a brief introduction. My approach to hostage handling, and I have been in and out of the game since 1975 [deleted] and I am not an expert, but I guess I know a little bit, is what you have read. You open a dialogue with the hostage holders no matter how rotten they are. You find the bad guys, and you start talking to them. It was evident in the early 1970s and became accepted and called by us who were in the government, the Kissinger position, that you would never trade for hostages, but you would always talk and talk and talk.

Beginning in 1984, when the great burst of early hostages were taken, Mr. Levin, Mr. Andersen, Mr. Jacobsen, Mr. Sutherland, Bill Buckley, the original hostage crowd, we began to receive feelers. It is a brutal, ugly story, but people were selling information, selling hostages, selling their rings, selling their clothes, selling letters from them trying to make money out of the hostage business.

Our position was, is, and I think should be to followup on everything. This does not mean ransoming hostages, this means trying to find out who you are dealing with, does this person know something? This was sort of a hit and miss activity inside the U.S. Government and everybody was running around doing their thing until late 1984, when it was decided to establish the Hostage locating, Location Task Force.

The only purpose—other than the CIA, the State Department, the Defense Department, let's bring in a lot of guys who might know something, Customs, INS, Commerce, DEA, let's get a band of guys representing all the government agencies and make sure anybody who has any possibility of knowledge about the hostages sit down together.

In the spring of 1984, 1985—counsel, correct me. Is it 1985, the DEA affair?

Mr. Kerr. Yes.

Mr. George. In 1985, the Drug Enforcement Agency notified the Hostage Location Task Force that they had sources [deleted] who also might have information and/or [deleted] the American hostages. The right answer to that is OK, what have you got?

So the discussion which again is very typical of all these operations is well, I can get you the ring, the photo, the letter, the picture of the man with today's paper, but it will cost money. And I make the difference in my own mind that this is different than ransoming, $2 million and I will deliver the body. [Deleted]. And the DEA assured me or they assured us that they had been successful in [deleted], that they would go [deleted] and bring back evidence that they could get in touch with the hostages. [Deleted].

[Deleted].

Well, this was hocus pocus. I asked my experts [deleted] and we came to the decision that they were—it was a scam. No big surprise. There was nothing to get excited about. We were scammed regularly on the hostage business and others. This was a scam. [Deleted]. This is life.

I now know, that that decision was not agreed to by other people. I think—at the time I remember talking to a man he called Hickey, who was head of the President's security inside the White House, very hot on this operation. I know Mr. Hickey continued to believe it was a good idea. I know, of course, now that Oliver North thought it was a good idea. I know Oliver North got the two DEA men to him, I believe he claims he had $2 million from where? I'm sorry. Ross Perot, I don't know. I was gone. I had left it. I had declared it a fake.

Mr. Courter. Thank you.

Chairman Hamilton. Senator Boren is recognized for 20 minutes.

Mr. Boren. Thank you very much, Mr. Chairman. I apologize. I have been tied up with meetings on the Central American meeting or initiative and I had to miss some of this testimony, but I will read it all very carefully and try not to repeat what others have asked.

Mr. **George**. Thank you, sir.

Mr. **Boren**. Mr. George, when did you learn of the impending announcement by Attorney General Meese that he had uncovered evidence of the diversion? When did you learn about the impending press conference?

Mr. **George**. The announcement? I am told by [*C/CATF*] I had mentioned it to him that morning. If I mentioned it to him that morning, Senator, I would have known that morning. I mean it would have been hours before. Quite how I might have known, I don't know. I was certainly not sitting around for weeks saying——

Mr. **Boren**. So far as you know it was probably the same day?

Mr. **George**. The same moment. [*C/CATF*] told me. [*C/CATF*] said to me, Clair, you told me that afternoon or just before the press conference. I don't know how, but it was then, sir, at that moment.

Mr. **Boren**. Did you have any discussions after that time once you had known about the diversion and—the other items announced in the Attorney General's press conference? Did you have any discussion with anyone about your testimony before the Senate Intelligence Committee, between the time you learned about it, the Attorney General's announcement, and the time you appeared before the Intelligence Committee in December to testify? Did you have any discussions about the scope of your testimony, what you were likely to be asked or what you should say or how much you should answer?

Mr. **George**. No, sir. I didn't. I think we were all very, very shaken, as you remember, Senator Boren. We had—we were suddenly told that we were all going to appear privately before the Senate Select Committee. We were going to be giving sworn testimony. We were told we could not bring lawyers with us. We were told that the subjects were not to be discussed afterwards and we were not to be briefed. I think we were—I guess big boys shouldn't say it. We were frightened.

But that was about the size of it.

Mr. **Boren**. Would the same be true for your—between the time that you learned of these activities as announced by the Attorney General and your testimony before the Tower Board and your testimony before this committee?

Mr. **George**. I had a period between the testimony before, I guess Senator Durenberger was chairman, the committee and the Tower Board. I was out of work for 5 weeks. I was in the hospital and had a serious operation. So I sort of had a blank period. I came roaring back to work in January and I think I got in to see Tower early February. I forget the exact dates.

But I was really out of commission. I don't remember talking much about this at all in that period.

Mr. **Boren**. Do you recall anyone giving you any suggestions about restraining the scope of your testimony?

Mr. **George**. Oh, never.

Mr. **Boren**. In regard to [Castillo], didn't the CIA headquarters really leave [Castillo] in a very difficult position in regard to orders to drop the communications plan and stay away from the private benefactors? What I am thinking of here is if he complied with the orders of the headquarters, all he could do then was sort of sit by and watch the Contra resupply flights get shot down or crash without the help of information.

Wasn't that just sort of a copout by those at headquarters, sort of washing their hands of it?

Mr. **George**. We put [Castillo]—I did mention this earlier—[Castillo] in the world's most difficult situation, all of us. I would again like to say for the record, for [Castillo] and [Castillo's] behalf, that [Castillo] is a brilliant intelligence officer. He was my finest [deleted]. He has a magnificent ability to do our business. We sent him to [deleted]. You know the story as well as I. He's sitting there watching supply flights, people being shot, the wounded coming out, radio calls for help.

Yes, in a bureaucratic sense we really are—I mean, we put out a notice, don't help anybody. We asked the impossible. If I would have been [Castillo], I probably would have done the same thing. I think the interesting thing about [Castillo], and I said this before and I say it again, because I think it's very important. Never before in the history of our service has a senior official been approached by somebody outside the service representing the U.S. Government at the highest levels, read, Oliver North, I am here on behalf of the National Security Council, and asked to set up independent communications.

But yes, [Castillo] was put in an absolutely difficult situation.

Mr. **Boren**. I appreciate the candor of your answer. When the Inspector General of the CIA began the investigation of the [Castillo] activities, what was your role in setting up that investigation?

Mr. **George**. I was again—if I recall—and I can get the record, I don't want to cop out—that was the hospital period. I left—the first of December, give or take, and returned in late January. I am told that the whole thing broke in the December–January period.

Not to avoid a critical point here, I think all of this went along without anybody charging [Castillo] violated the law. What do you violate legally, the Boland Amendment? It was policy. Nobody is going to get beaten around the ears for policy. I think at this point the question with [Castillo] is—and I have been taken out of it, it's a General Counsel, IG, Inspector General activity. I know about [Castillo's] activity at certain periods of time.

Mr. **Boren**. Let me say it's my recollection—so you do not believe that at least you were involved at the inception of the IG investigation—that's during the time you were in the hospital.

Mr. **George**. It would be very normal for me to—excuse me.

In the middle of January 1987, [deleted] indicated that [Castillo] had been engaged in illegal activities. [Deleted] informs me I didn't know. Excuse me for having to seek help. That Bob Gates asked for an IG inspection.

Mr. **Boren**. You weren't particularly involved?

Mr. **George**. I don't think I was back to work at that point. I think I would have done the same thing. That's where I was headed.

Mr. **Boren**. It's my recollection that [Castillo] indicated that he had some conversation with you or with someone working under you in the Agency that indicated to him what they thought the scope of the questioning by the IG would be.

Mr. **George**. Yes. I know that story.

Mr. **Boren**. When he then was asked by the IG questions going beyond the scope he thought it was going to be, that's partly what led him to not give complete answers?

Mr. **George**. There are two stories. The story I am more familiar with is that he said he was instructed by his Division Chief, who he believed to have been instructed by me, to limit his testimony to the Tower Commission to certain specific fields.

Mr. **Boren**. Yes. That's correct. Is that accurate?

Mr. **George**. The issue was—and it's not correct. The only thing ever brought to my attention before [Castillo's] appearance in the Tower Board—and this is one of the first times we were going to go outside the confines of the intelligence committees. We were going to talk to—not that Mr. Scowcroft, and Tower are strangers. We said if you have trouble with sources and methods—which is true in all our hearings—blow a whistle, ask for a time out. We will get it straightened out.

As far as being told what to tell the IG, I would never in a million years say to an officer—I would say if you have great trouble with the IG, come back to my office and I will try to sort it out. But I would never say don't discuss this, that, and that.

Mr. **Boren**. With the IG.

What is your assessment of why he was not fully forthcoming with the IG on these matters?

Mr. **George**. I am not sure I know he wasn't forthcoming with the IG. I think—and [deleted] help me—it's my understanding—I don't want to draw any conclusions, because I don't know that he was not forthcoming with the Tower Board.

Mr. **Boren**. Let me make it easier for you. Not the Tower Board. The IG. He himself told us he was not forthcoming with the IG in the first interviews. He said the reason he wasn't was he was asked questions that really surpised him beyond the scope of what he had been told he would likely be asked.

Mr. **George**. [Deleted], who is the legal counsel of the Central American Task Force, if you don't mind. [Deleted].

[Deleted]. May I tell you? The day he went up to see the IG, I showed him the 29th of December response that was sent to the HPSCI and later sent to the SSCI. I said they are likely to talk to you about this [Castillo], and I need to tell you also that when you spoke with me in December in [deleted], you told me about the KL-43. That's likely to come up and the relationship with the—with Colonel North. It was clear to him the scope of it was beyond this response, but I wanted him to know what had already been shown but that that was not just the only thing that might come up in this discussion.

Mr. **George**. I did not, Senator Boren, talk to him about his IG testimony.

Mr. **Boren**. Let me ask a summary question on this. While you understood he was in a very difficult spot, you expressed your sympathy for the difficult spot. It would be your testimony that you did not, you feel, by any actions, words, actions you took, conversations you had, indicate to him that he should not be forthcoming in his testimony?

Mr. **George**. Never, under any conditions.

Mr. **Boren**. In February of 1987, [*C/CATF*] and you took a trip to [deleted]?

Mr. **George**. That's quite right.

Mr. **Boren**. Why did you take that trip?

Mr. **George**. I planned to take it. I had not been in Central America for 2 years. It's a critical problem to us. I had hoped to go down in the fall. Bill Casey announced he wanted to go back that fall. That was the famous trip he was on when all of this blew up. I said to [*C/CATF*], maybe we'll go in early December. I went to the hospital. Got out of the hospital. The earliest I could get there having decided to make the trip in November, December, was the first of February. By that time, my goal was no longer exclusively to—I am sort of the boss. [Deleted] in the most important area of the world. At that point I—it was absolute for me, because [Castillo] had had his problem. [Castillo] was out of Central America. The gossip was spreading like wildfire. Our organization is an outfit where the gossip goes night and day, who is doing what to whom, we all know that. I wanted to tell the [Castillo] story as factually as I could tell it and urge every [deleted] to be frank and honest and fair and truthful with the investigations being conducted by the Inspector General.

And I must say, if I don't have less than 200 witnesses, I'm kidding myself. I gave that speech like a stump man from [deleted] to [deleted].

Mr. **Boren**. While you were on this trip, did you learn anything about the [deleted] helicopter usage, what's been referred to as the [deleted] and [deleted] matter?

Mr. **George**. There are two [deleted] activities. Let me address the [deleted] and [deleted] matter which is a puzzlement as they said. On one of the days I was in [deleted], [deleted], who is [deleted] and as such in charge of the war effort arranged a helicopter flight for [deleted] me to visit certain sites [deleted]. There was [deleted], the pilot, [deleted], myself, and I'm sure somebody else. We flew down to [deleted], were there 2 hours, [deleted].

[Deleted].

I have now been on the road, on the ground, in the air for 8 hours and it's hot and it's dusty. I am then taken into a shed where [deleted].

I am then introduced to [deleted] who I shook their hands. I now know, sir, that their names were [deleted] and [deleted]. I told them that we were proud of them, that their government was proud of them, their agency was proud of them, to carry on the good work, and on, by the way, if the IG ever shows up [deleted], for God's sakes tell him the truth.

I got back to Washington and was told that one of these guys said I had a 2-hour discussion with him about the Mrazek amendment, the Boland three, and arms movements to the border. I am sorry. I am exaggerating but this story is totally beyond my understanding.

Mr. **Boren**. You don't recall any conversation while you were in [deleted] about the helicopters carrying arms?

Mr. **George**. Never. My other story, which is even sadder, which is a sad story and not sort of an amusing story, is that [deleted] under [deleted], because here comes the boss inviting me in for breakfast and they were all there. There was 20 of these paramilitary guys in their boots and all the rest. We have a nice breakfast. We all talk. I give them a speech about the essentialness to this agency of everybody confessing up to anything they know and they all saluted me and they all told me they would and, of course, we now know that that was dear [deleted] and his crowd and it was never mentioned to me.

Mr. **Boren**. It was not mentioned to you?

Mr. **George**. No.

Mr. **Boren**. When was the IG investigation into the [deleted] matter?

Mr. **George**. It was almost immediately thereafter. I get back from that trip, I guess in, say, mid-February, late February, and we had an endless series of phone calls I know particularly from Senator Bradley's office. Senator Bradley and his staffer, Mr. John Dupris, kept calling and saying what did Clair George learn down there. We kept calling back and saying Clair is—has either gone crazy or is not telling the truth. Clair doesn't know what he learned down there. It was soon after that that [deleted], I believe—and correct me, [deleted]—[deleted] having been brought up or coming up started to open the crack on a door which led to the situation.

Mr. **Boren**. It was [deleted] that came up?

You didn't come back then from [deleted] and say we need to start an IG investigation?

Mr. **George**. It was a very puzzling affair. Senator Bradley and his staffer called me over and over and over again saying what did I learn.

Mr. **Boren**. There were press reports going on [deleted]——

Mr. **George**. Excuse me one second.

[Deleted] reminds me there was an IG inspection planned already to go down there but that had nothing to do with that.

Mr. **Boren**. You didn't come back—I want to be clear. When you came back, you didn't come back with any knowledge that something was wrong in [deleted] with the helicopters carrying arms? And you didn't then ask or initiate, say to the IG you better go down and look at that?

Mr. **George**. Absolutely not. The IG was going anyway. We were doing one more review of Central America. In fact, if you had asked me—which goes to show you how little we know sometimes in life—if all was well in [deleted], I would have told you it is.

Mr. **Boren**. Let me ask: In the questions before the Senate Intelligence Committee in December, when you testified under oath, let me read you two questions here and your answers. I'll try to get you the page number. I think they are short. Page 19. Mr. Hall asked you, "Were you aware of any role that Colonel North played?

"Mr. **George**. I have no information on Colonel North and funds."

"Mr. Hall: Can you tell us what role Secord did play?"

He is talking about this in the supply operation.

"Mr. George: I cannot."

Let me see. You went on to say in regard to General Secord, "I am told—and I do not want to have my hand held in the fire—that at one point, at some point along the way it moved through the hands of General Secord."

Mr. GEORGE. Excuse me. I missed that.

Mr. BOREN. You said, "I am told—and I do not want to have my hand held in the fire—that at one point, at some—along the way, it moved through the hands of General Secord but I don't have that evidence."

Mr. GEORGE. What moved?

Mr. BOREN. Funds. Funds and supplies.

Mr. GEORGE. We are talking about—the Contras or the Iranian thing?

Mr. BOREN. On the Iran program.

Mr. GEORGE. I knew Secord was in the Iran program. I met Secord months before in the White House.

Mr. BOREN. As I understand, you later gave testimony about the fact you talked with General Secord after that Finding was signed when there was a discussion about him and what his role would be.

Mr. GEORGE. Oh, no. General Secord was in the White House Situation room on Saturday morning, the 18th of January, and was introduced to me by John Poindexter as a consultant to the National Security Council. I believe my testimony to your committee at that time and since then has been it was my judgment that the reason this action was taken this way was to provide his bonafides, that here he stands, like him or not, this is Secord and he's now part of this game, whether you like it or don't like it.

Secord and I never, ever sat down anywhere ever and discussed this operation.

Mr. BOREN. You didn't say to the—you didn't tell the committee anything about—did you, about being at the White House?

Mr. GEORGE. Oh, yes. I did. I have never denied meeting Secord on Saturday morning the 18th. I mean, if I didn't tell them, I should have told them.

Mr. BOREN. Well, and this comment about were you aware of any role Colonel North played, you said, I have no information about Colonel North and funds.

Mr. GEORGE. I didn't have information on—see, my feeling about this exercise was that the money went from Iran to Israel and Israel would put it in the bank, our bank, our account in Switzerland. I now know what you thankfully have told us that it went through Ghorbanifar, it went through Secord, it went all over the place. But I didn't know that.

Mr. BOREN. Let me ask you one last question. I see my time is up.

Mr. GEORGE. Please.

Mr. BOREN. Can you recall your preparation for Mr. Casey's testimony before the SSCI and what discussions you had with Mr. Gates or others about that testimony?

Mr. GEORGE. Certainly.

Mr. BOREN. Whether or not you suggested any changes in it?

Mr. **George**. Let me recall my involvement in that testimony. I don't have the dates correct, but we are talking vaguely of the 17th through the 26th, that whole period.

When the story broke that McFarlane had had meetings in Tehran and the entire thing became public and before the Attorney General's statement of the diversion, it became accepted in the Agency that we would have to moderately brief on our activities. It was intolerable for us in the situation, above all with you, the Congress.

I conducted what I believe to be—and I don't know if any of the staffers are here, maybe Mr. O'Neil—the first briefing by the Executive Branch of the legislative branch, which was a briefing on say, the 17th or 18th of November, about our activities after the Finding and what we did.

It was then decided—and quite how, I don't know, except that the White House called the CIA and said, you're going to do the briefings of the Congress on, you know, Bud McFarlane's trip. Read that: this whole affair.

Bob Gates called, in my presence, Bill Casey in Central America and said I'm a big boy Bill, but would you please come back here? I mean, this is bigger than I am. I now know, again through this committee, that John Poindexter called Bill Casey and said please come back here.

My job at that point—and the record I believe shows it—was to put together the facts of this Directorate's activities inside—in this affair, and we put together—because we have the record and it's a written record and it is an exact record—the exact record of this Operation Directorate's participation in the activities we engaged in from the Finding of the 17th until that date.

That information was then sent forward to one of the staff assistants in the front office—Bob was Acting Chief—Acting Director at the time—who then got information from all the other groups. Casey has by now asked that preliminary testimony be sent to him on his trip back from Central America.

Correct me, [deleted], if I get these facts wrong.

We flew someone to Central America and Casey began to study it. He came back. We had a big meeting in Casey's conference room with 20 or 30 people. It was evident that different people in the CIA had different pieces of information, and it was being collated by staff aides.

I neither corrected nor changed nor overviewed. My position was throughout this entire—at one point we ended up in the White House, in Poindexter's office, where Mr. North arrived. I was there very briefly on my way somewhere else. Either North said or Poindexter said politely, your records don't match ours. I said, I don't care. Our records are exact. We know when we flew this operation or met this person.

Finally, those differences, I guess, were solved. But no, as to did I—Bill Casey was still writing that testimony in the car I'm told on his way down the morning of whatever date that was.

Chairman **Hamilton**. Mr. Cheney is recognized.

Mr. **Cheney**. Thank you, Mr. Chairman.

I don't plan to use my time. I simply want to thank Mr. George for his testimony. My association with him over the years in the

Intelligence Committee has always been an excellent one. He has been very helpful, forthcoming and direct in all of his dealings with me. We appreciate very much his help and assistance to this committee.

Mr. Chairman, I yield back the balance of my time.

Chairman HAMILTON. Thank you.

To conclude the session this morning, I will recognize Senator Sarbanes for 10 minutes.

Mr. BOREN. Mr. Chairman, I have just one point. There was a document mentioned, I believe by legal counsel, during my questioning of Mr. George. I wondered if we could have that particular document entered into the record.

Mr. GEORGE. The [deleted] document.

Chairman HAMILTON. Yes, indeed. The document will be made part of the record, without objection.

The information oppears at p. 1046.]

Chairman HAMILTON. Senator Sarbanes is recognized for 10 minutes.

Mr. SARBANES. Thank you, Mr. Chairman.

Mr. George, did I understand your response to Senator Boren that you didn't know General Secord before you met him in the Situation Room at the White House on the 19th of January?

Mr. GEORGE. That is absolutely correct. I knew of him, but I didn't know him.

Mr. SARBANES. What did you know of him?

Mr. GEORGE. Well, I knew a great deal about him. The good General Secord's reputation inside the CIA was not of the highest. As I have testified previously, I had no evidence then, I have no evidence now—I have no knowledge of General Secord engaged in illegal activities, but General Secord worked the edges of the international arms market. General Secord worked the edges of those guys out there in the world who were buying and selling in the arms business.

He had been associated in an IG report of the CIA with Edwin Wilson, the famed renegade CIA agent who is now in Marion, Illinois and I know for a fact that he was in our minds, in my mind as a manager of the American clandestine service, an individual with whom I would not do business.

I will even go further and I maybe shouldn't, I went to Bill Casey soon after the famed Saturday, 18 January meeting and urged Bill Casey not—if they are going to do this, if they are going to ship arms to Iran for hostages, and that is a complicated moral question, don't use Secord. I told him very strongly.

Mr. SARBANES. What reasons did you give Casey——

Mr. GEORGE. My knowledge of his involvement in what we considered to be not particularly wholesome—wholesome is a dumb word for a spy to use—particularly savory activities in the past, and he is mentioned in our Inspector General's report as being an associate. I had also read the book *Manhunt,* which is the second book. He was just not a guy I wanted to do business with.

Mr. SARBANES. How did you understand that Secord got involved in all of this? Did you have an understanding——

Mr. GEORGE. You want to know what I thought now or what I thought then——

Mr. **Sarbanes**. Both.

Mr. **George**. I didn't have a damn clue how he got involved when I saw him in January of that year. I was surprised, shocked. Stan Sporkin, who was with me at this famous meeting and I understand it has testified to you. Stan and I agreed that this was a mistake and Stan and I went separately to Bill Casey to try to talk him out of it. That is what I knew then, it was a dumb idea. Now, how did it happen—because starting in 1984, I assume—I have no personal evidence—when Oliver North was given the thankless task of supporting the Contras or at least making sure they were supported, he turned to Secord. So by the time Secord was in the White House Situation Room in January 1986, Secord was probably—and I have no evidence of it—you may—I can't follow as closely as you do—already deeply engaged with Oliver North in the Contra affair, and he would be a natural to move right on to the Iranian affair.

Mr. **Sarbanes**. North testified that Secord in effect was sent to him by Casey?

Mr. **George**. I know that. I saw or heard that testimony.

Mr. **Sarbanes**. What is your view of that?

Mr. **George**. I would doubt it.

Mr. **Sarbanes**. Why?

Mr. **George**. Gut instinct, I know Bill Casey. If Casey sent Secord to North, someone else talked Casey into it. I don't know—why am I conjecturing?—I can't believe that Bill Casey sent Secord to North because if he did he had to send him in the summer of 1984, I think as I put it back together historically. Bill Casey knew the problems with Secord. The problem—the problem is that when whomever it was told Ollie North that he had one little task, all Ollie had to do was get money or make sure money was obtained, obtain arms, make sure arms are sent to Central America, get somebody to give private support to the benefactors. Those who charged North with that activity were grossly unfair, and who would walk into Ollie North's life first in the United States of America, you are not going to deal with foreigners, but Dick Secord who is in the international arms business and has experience in the U.S. Government in some version of clandestine activities.

Mr. **Sarbanes**. Are you familiar with the testimony that Secord met with Casey around Christmas of 1985, about a month before you saw Secord in the Situation Room, to thank him for the work he was doing and to say he did a good job?

Mr. **George**. I saw that on the television or read it. If he said that is what he did, I wouldn't be surprised Secord saw Casey. William Casey's door was an open door, he would receive anyone to talk to.

Whether Bill Casey saw Dick Secord to thank him for all the wonderful things he had done, I don't know.

Mr. **Sarbanes**. Did you have a report on Hakim—did you know of Hakim's involvement in the Secord-Hakim Enterprise?

Mr. **George**. We knew Hakim was involved by the spring of 1986 after the Finding because as we were enjoined by the President to support this activity in [deleted] in the first or second meeting, I can get the record for you, who do we find as the Farsi-English interpreter—we don't find an American who works for our side that we can sort of count on, we find some guy—some—I shouldn't call him some businessman from Switzerland—he holds a green card [deleted], but he is interpreting. I say hold it, at least I have to get an interpreter whom I know is my fellow American and that is when dear George Cave got involved.

Mr. **Sarbanes**. What is the Agency's report or knowledge about Hakim?

Mr. **George**. That he was a very successful, very prominent American, I think it is a naturalized American-Iranian businessman who had been in Tehran and had had dealings with the American Embassy, was well-known, had fled the country at the time of the fall of the Shah, had very important contacts, the kind of guy we deal with all over the world, may know somebody of importance, could pass us information, the kind of person we like to deal with, but not the person I would choose to be in the middle of a clandestine U.S. operation running it.

Mr. **Sarbanes**. When you had that meeting in January in the White House when the CIA was brought into it, Secord was presented to you. What was your knowledge—you had knowledge of the previous shipment of arms to Iran; is that correct, through the Israelis?

Mr. **George**. We knew about the shipment of November and there is a debate that counsel and I have gone through as to when we did or didn't believe it was oil-drilling equipment and the fact that it became more and more evident as the crew returned and information was gathered that it must have been weapons.

Mr. **Sarbanes**. Did you have knowledge of the meeting of December 7th in the White House where they sort of said this is a bad idea and the McFarlane visit to London where McFarlane came back and said Ghorbanifar is a sleazy character, we ought not to have anything to do with him, and the whole thing looked like it would be terminated?

Mr. **George**. I did not.

Mr. **Sarbanes**. You had no knowledge of that?

Mr. **George**. I have been given documents since about that.

Mr. **Sarbanes**. As you were drawn into it and saw the Secord involvement, were you aware of Secord's role with North in the Central American operation?

Mr. **George**. I did not know.

Mr. **Sarbanes**. You did not——

Mr. **George**. On the 18th of January 1986 that Secord was involved with Colonel North in the Contra affair.

Mr. **Sarbanes**. When did you find that out?

Mr. **George**. I am afraid since this committee was formed.

Mr. **Sarbanes**. That is the first time——

Mr. **George**. I may have had some hint of it somewhere along the line, Senator—I knew Secord was deep into the Iranian affair, I was very familiar with Secord's involvement, Secord attended meetings, I had made my position known to Bill Casey about having him involved, I had preferred he wouldn't be. He was. Now, after the fact is a bit like me running around saying don't use Ghorbanifar when they have already got him engaged in major foreign affairs activity; after the fact I am saying don't use Secord when as you are implying to me he has already, probably, I don't know, become a major factor in the Contra activity.

**Mr. Sarbanes.** When you went to Casey after the January 18th meeting and warned him so strenuously about not having Secord involved, what did Casey say to you?

**Mr. George.** He said, "I hear you."

**Mr. Sarbanes.** Did you understand at the time that the Iranian thing was going forward, that Secord was earning these overages or residuals out of the arms sales?

**Mr. George.** Absolutely not.

**Mr. Sarbanes.** You had no sense——

**Mr. George.** No. In fact, it was my impression, and now I know it's not true, that—you see, the Ghorbanifar Iranian arms deal is an Israeli deal sold to the United States. Fair enough. I mean it may have been a great deal, but that's it. The Israelis talked us into it, and we got into it and it was a joint Israeli-United States activity. It was a failure, but they had two hostages, [deleted]. Israel and the United States are in this thing together.

I always thought, because—this must come from too many years working for the Government, that the money was sort of not a big deal here. The Iranians would transfer the money to Israel; Israel would put the money in a bank account that we established in Switzerland, arms would be shipped, and that was that.

It became evident to me as 1986 unwound that there was money confusion. All the money wouldn't get there. We had TOWs at [deleted], and they were worth so much but the money wouldn't get there. There was something wrong with the money movement.

But a long answer to a simple question—I didn't know that Dick Secord was in the money business.

**Mr. Sarbanes.** So you had no sense that one of the driving forces behind pushing arms to Iran may have been that it constituted a way of solving or was perceived as a way of solving the funding problem for the Contras?

**Mr. George.** Absolutely not. I absolutely was speechless at whatever point Senator Boren asked me what point it was, like if it wasn't the day Ed Meese said, it was the night before. It was just totally remote to me.

The Iranian affair was established to do two things in order to—one, get the hostages out, a decision of great importance, but it was made and it was—it struck me and I'm giving you one little guy's opinion, but I was there, was you're going to ship some arms. You're going to get all the hostages. I also didn't believe we would get all the hostages, but some.

Later I became more concerned maybe we could talk to Iran after McFarlane got to Tehran, but to make money, I never thought of such a thing.

**Mr. Sarbanes.** Were you aware in any way that General Secord coveted your job and that he wanted to come back into the Government and be the Director of Covert Operations for the CIA?

**Mr. George.** This is a very strange job and I have had it for a long time and I have now found a variety of people throughout Washington who would like it, and I'm amazed that people would want to do this for a living.

**Mr. Sarbanes.** Thank you.

Chairman **Hamilton**. Mr. Hyde.

Mr. **Hyde**. Just a question on chronology perhaps, Mr. George. We have been wrestling with the Boland Amendment in its five versions and what it did to the CIA in excluding it from certain operations and all of that, and I just wonder, when did the CIA give Mr. Boland a medal? Was that before or after the Boland Amendments were promulgated? Could you tell me that?

Mr. **George**. It was between three and four.

Mr. **Hyde**. Between three and four. I just thought that that might be a guideline for Mr. Hamiltion and Mr. Stokes, who can look forward to their medals if they can come up with similar legislation.

Thank you.

Chairman **Hamilton**. Mr. Stokes.

Mr. **Stokes**. On another unrelated matter, Mr. Chairman—Mr. Chairman, during my questioning of Dewey Clarridge regarding the mining of Nicaraguan harbors, Mr. Clarridge indicated that Senator Goldwater sent his famous letter to Mr. Casey in early May. I would like the record to reflect that Senator Goldwater sent his letter on Monday, April 9, 1984, according to the *New York Times*.

The record should also reflect that the mining became a highly public issue several days previous after a CBS Evening News story on April 6th, which was a Friday, and CIA records also showed Mr. Clarridge was in [deleted] between April 9th to the 13th, according to exhibit DRC-19 to 20.

Mr. Chairman, I ask unanimous consent that this statement and the *New York Times* article and the CBS Evening News report appear in the official record immediately following my questions to Mr. Clarridge.

Chairman **Hamilton**. Without objection, so ordered.

The committees will stand in recess until 2:00 p.m.

[Whereupon, at 12:10 p.m., the Select Committees recessed, to reconvene at 2:00 p.m., this same day.]

## AFTERNOON SESSION

**The Select Committees met, pursuant to recess, at 2:10 p.m., in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the House Select Committee) and Hon. Daniel K. Inouye (chairman of the Senate Select Committee) presiding.**

Mr. **Fascell** [presiding]. The committee will come to order.

While the paucity is evident, I will ask a few irrelevant matters.

I don't want to characterize your testimony and I am not being facetious, OK? But the impression I get is the left hand doesn't know what the right hand is doing and neither one of them really gives a damn. That is probably a little strong.

But that is an impression I have gotten throughout this whole thing, not just your testimony, OK?

So I didn't really mean to characterize your testimony. It is just a feeling I have. Maybe that is due necessarily to the need for compartmentalization, especially in your area. But what I am having trouble with is the fact that here you are, Director of Operations, and yesterday, I listened to a guy who was, I suppose—he is not lateral to you. I guess he is in the vertical; isn't he?

Mr. **George**. That is correct.

Mr. **Fascell**. He said he wasn't in charge of anything.

You say you weren't in charge of anything. Then he made a statement that really—he made a statement that really fascinated me. I wanted to ask about that.

I feel like I have more latitude when I am to the right of you.

It has troubled me, as chairman of the Foreign Affairs Committee, many times. The issue is basically the estimate, analysis, and the raw data. I thought he made a very unusual statement. He said he wouldn't rely on any of that himself, that he was a better analyst than the analysts he had. In order for him to carry out his operations, he had to rely on himself.

Well, I just kind of would like to know how you feel. I am not trying to get him in trouble, but I think I understand his feeling.

Mr. **George**. He is a dear friend. My comments do not reflect on [*C/CATF*] in any way. I think it is absolutely critical to have—I think we proved it at the Bay of Pigs. It was exaggerated, but it is an accepted fact, it cannot be denied.

You cannot have the operators doing the analysis. We become emotionally involved. A man becomes involved when he is in a project. [Deleted], I do not expect them to be "even-handed" about it all. They are in it to win it or achieve certain goals in it, [deleted]. Without contradicting dear [*C/CATF*]—whom I love—I think it is essential that you have independent analysis of the activities in which you are engaged. You do not want my directorate to be the final analytical body on American intelligence.

Mr. **Fascell**. Oh, no. No. That is not exactly what I was driving at.

In other words, you are charged with an operating responsibility, and you have to act on the basis of information which, as I understand it, starts with raw data, goes through some kind of a process of analysis, and——

Mr. **George**. Excuse me, sir.

Mr. **Fascell**. Finally, a decision is made with respect to what is the situation.

Now, that has to come to the operator who is charged with the responsibility of carrying out the operation upon which he is going to make a judgment about the strategic moves that he is going to make.

The question I am asking then is how do you satisfy yourself outside of blind trust in guys that you may never see who gather the raw data, both in the field and in the central office, analyze it, and submit to you what is final product that you cannot rely on entirely?

Mr. **George**. Well, we are doing three different things. We are running espionage operations which is the collection of raw intelligence, [deleted]. We are charged overseas with counterintelligence functions of the U.S. Government, and we are in the one we all know about and the one that has brought us here today, which is covert action.

I, as the manager, do different things in those three fields. There is a long, hard process of analyzing espionage intelligence based on the judgment of the access, reliability, previous experience and substance of your agent's report.

Mr. **Fascell.** Let me stop you right there. Do you do that yourself, personally?

Mr. **George.** Our Director plays a major role in that because we are the people who know who the agent is.

Mr. **Fascell.** In other words, so you got your input at an early enough time that when you get the end product, you are reasonably satisfied.

Mr. **George.** We have recruited this individual here. He or she has reported 28 reports on the internal workings of the Government [deleted], and we have a belief that not only is he or she reliable and works where he or she does, but the intelligence appears to be valid as we can judge it against intelligence that we already have.

Mr. **Fascell.** OK. It presents a problem for committees, believe me.

Mr. **George.** Our real problem, though, if I could carry on——

Mr. **Fascell.** Sure.

Mr. **George.** —is counterintelligence aside—your real problem is covert action in which we report—to take an example, which I hope is not true. [Deleted] we begin to report the facts more optimistically and more positively and in signs of more success than the truth because we want it to be so or we would like a little more money or we would like——

Mr. **Fascell.** Like the Contras telling you the war is over.

Mr. **George.** That is tough to get that straight. You have to start bringing in—which I think is the blessing of the CIA. Whether we ended up this way by luck or wise forethought, we have another directorate. We have the Deputy Director for Foreign Intelligence, the intelligence directorate, that says, Clair, your material is rotten. We don't believe this stuff you are producing. There has to be a continuous give and take inside the Agency, in addition to which we go over to the State Department, which you know full well. I say to Mike Armacost, Mike, I have these five reports [deleted]. Mike says, wait a moment, the Embassy doesn't say so. In an ideal world, this continuously works that way. I would never trust one guy to say, hey, boy, we are winning the war down there in Nicaragua, and there is nothing to it.

Mr. **Fascell.** So CIA puts it together from their vantage point which has a variety of elements in it?

Mr. **George.** Collection and analysis.

Mr. **Fascell.** Then as far as the intelligence community in concerned, that is another different operation which is the basis for the ultimate intelligence estimate which goes to the President, on which he is supposed to make a decision, and that means that you have DIA involved in the process, [deleted], and some other input.

Mr. **George.** You could have the people in the atomic world, if you are talking about Soviet——

Mr. **Fascell.** And you have an interagency intelligence committee that hammers out the intelligence estimate every day that goes to the President?

Mr. **George.** Well, there is not an estimate every day, Mr. Fascell. Every morning, for instance, the CIA produces in four copies a thing called "The President's Daily Brief," which is much more of a sort of factual, high-powered newspaper. Today, for instance, it would read [deleted]. It is a collation of all sources. [Deleted].

Mr. **FASCELL**. The reason I am taking you through all that is I am getting to the place where I am the President and want to make a decision about a covert operation involving Iran, and I have a report on my desk, a report, estimate, whatever it is. It says I really don't have to worry about terrorism when the facts are otherwise. Now what do I do?

Mr. **GEORGE**. Well, I tell you what I told the Tower Commission and what I have told the—I hope, I think—the Senate Committee, and then what you have all told me through the press. A man is only as good as the people he has around him. If you have people giving you bum advice, whether you are running a garage in Beaver Falls, Pennsylvania, or running the Government, you are out of luck.

Mr. **FASCELL**. But it gets hairier than that. You read the notes that were made and are part of Secretary Shultz's logs, and one of those notes says that the Director had suppressed a report on terrorism. It was on his desk.

Mr. **GEORGE**. I don't recall that. I am sorry, sir.

Mr. **FASCELL**. Then we also got the testimony that that report was rewritten and a new report was issued which became the basis for either the daily report to the President or the national estimate, or whatever it was.

Mr. **GEORGE**. Two statements. I must say in defense of Bill Casey—who we all know in this room had very strong and very partisan political positions as an individual—I never saw Bill Casey try to cook the books on intelligence.

My second point is there was a debate, which I think is what you are referring to, toward the end of this tragic affair last year, in which the State Department and the CIA were arguing on the subject of Iranian terrorism. Is that the issue you recall?

Mr. **FASCELL**. Yes. Absolutely.

Mr. **GEORGE**. I found it a foolish debate. I felt Iran was engaged in terrorism. I agree with you. There was an example of a desperate attempt to try to sort of prove something was happening to make the policy look good, and it wasn't.

Mr. **FASCELL**. That gets back to where I started, you see, about left-hand, right-hand. The fact is that the CIA was intimately involved in that dispute, one way or the other, and I don't mean that you were personally. I don't know whether you were or not. Were you?

Mr. **GEORGE**. I was not.

Mr. **FASCELL**. Wouldn't be any reason for you to be involved?

Mr. **GEORGE**. I disagreed with the position that was taken.

Mr. **FASCELL**. So the person that wore the hat of the National Intelligence Officer on Counterterrorism would have that principal burden?

Mr. **GEORGE**. The National Intelligence Officer on Counterterrorism would have that burden. Here is the worst example you could find. You are quite right. He is engaged also as an action officer in the activity. So you brought the ideal example of what it should not be like.

Mr. **Fascell**. Let me ask you another question that has been kind of bugging me for quite a while. Are you responsible for the control of bank accounts around the world? CIA bank accounts?

Mr. **George**. Well, no. I mean, they are controlled—set up and controlled by [deleted], but they are set up at our request. They are set up when we ask for them. We tell people how much money to put in them, so, yes, in a way I am, although there is a whole finance office.

Mr. **Fascell**. Don't you have to have a lot of paperwork to instruct that finance officer who keeps the accounts what the hell the accounts are all about?

Mr. **George**. I'm not sure you have to tell the finance officer what the account is all about. [Deleted], the poor finance man doesn't have to know why it is going in there.

Mr. **Fascell**. Agreed. He does not have to know that, but he has to know how much is going to be in there. He has to be instructed when to let it out, though?

Mr. **George**. Well, he doesn't—he may be instructed whatever is withdrawn by the man who has the account, [deleted], it can be withdrawn.

[Deleted].

Mr. **Fascell**. But the operator, in this case you, you make the decision then?

Mr. **George**. I've convinced Washington, and if it is that kind of money I've gone up to the Director [deleted]—with the concurrence of the Director because of the amount of money I then say, "set up an account, put it there, put it in this name, put this money in it and allow it to be withdrawn under these conditions."

Mr. **Fascell**. So you are, as the operator, director of operations, responsible in that sense. We don't have to look beyond you to find out what is going on in those accounts, right?

Mr. **George**. I won't know every account in the record. If I don't know, I can get an answer faster than anybody around.

Mr. **Fascell**. And that is true whether direct or indirect?

Mr. **George**. I don't understand the question.

Mr. **Fascell**. If it is appropriated funds going into an account, you deal with funds other than appropriated funds.

Mr. **George**. Well, all the funds I deal with are appropriated by the—they are appropriated by the Appropriations Committee but authorized by the oversight committees, and the oversight committees, if they have found out there is $500,000 a year that CIA is spending something, up until now we have said this is [deleted], and I suppose if the committees demanded to know what they were, they could find out.

Mr. **Fascell**. What I'm getting at is whether or not you had any control over the Secord-Hakim accounts?

Mr. **George**. I didn't, none whatsoever, absolutely.

Mr. **Fascell**. Well, who did, if you didn't?

Mr. **George**. Reading the paper and listening to this committee, I assume that Mr. Hakim and Mr. Secord had control over their accounts. They were not CIA accounts. CIA had nothing to do with those accounts.

Mr. **Fascell**. Excuse me. That is your conclusion.

Mr. **George**. That is Clair George's opinion.

Mr. **Fascell.** It didn't go through your shop, is what you're telling me?

Mr. **George.** It didn't go through my shop. What was set up in Switzerland as we now know and there was a folderol, screw-up in the beginning when the finance officer commingled some money for the missiles with [deleted], was an independent Swiss account which we set up for—[deleted] where Mr. Secord and Mr. Hakim and the Lake Resources Company, and I'm thanking you because I never heard of this before—sure were not me or us or the CIA in any way that I know of.

Mr. **Fascell.** The boss went a long way to protect you, Mr. George.

Mr. **George.** The Director—he went a long way to protect us. You're right.

Chairman **Hamilton.** Mr. Rodino.

Mr. **Rodino.** Thank you very much, Mr. Chairman.

Mr. George, I just have two questions.

I referred to your deposition on page 60, Mr. George, where you were asked about the DEA operations, and you indicated that your Near East people would come to you and say, and I quote, on page 60: "The DEA case is running extreme. It is a bunch of hocus-pocus. It is phony. [Deleted]; let's stop. And I would say let's stop."

Then you say again on page 62 of your deposition on lines 7 and 8: "Colonel North's activities, as it related to the hostages and their plans that he came up with," you said it was "one of endless, harebrained schemes that took place at that time."

And you also went on to say in the same deposition on page 67, lines 18 through 20, you said: "I don't remember a single operation that involved bribery or purported bribery that I thought was worth anything, that anything would ever come out of it."

My question to you, Mr. George, in your position of responsibility there, having felt as you did and as strongly as you did, and we also note that CIA people who were interviewed and deposed by the committee staff have also said the same thing—my question is, how did you allow this to go on, feeling as strongly as you did? It went on for a period of time.

Mr. **George.** Well, I—the words are emotional here and I would have to sit down and look at this again. But the point I made was that—or I should have made, or the point I now make is that in the hostage business, which is what I'm speaking about, Mr. Chairman, unlike many other intelligence activities, you have to follow up on your leads, as silly or as impractical or as unprofessional as they sound.

So our communication system [deleted] in the world because you can never not report it.

The point I tried to make here is that we were on several occasions and certainly in the DEA operation bypassed after we had voted in our directorate that the operation was, to use the words I used about DEA, a scam. How could that happen?

Mr. Rodino, sir, I'm the Director of your foreign spy service, and have been involved for years in it. If someone decides in the White House that they do not like my opinion on an operation and we have seen the White House run operations outside of CIA over the last many administrations, they can do it. I just do not have the power other than to give you my honest, best advice based on my colleagues who I sit with, this is what your spies think about it. I certainly have no veto power on it.

I think in this case, and we are talking about hostages, and the emotionalism of the hostage issue throughout the entire affair, with Bill Casey, with the President, with me, people didn't want to stop. They wanted to get the hostages and it led them to do and run operations that are now after the fact foolish.

Mr. **Rodino**. But you did say and you were quite adamant about it, that if it is a question of paying a million dollars cash in hand for hostages, you certainly wouldn't go for that, would you?

Mr. **George**. That has been against the policy of this government—let's back up a little bit.

A lot of governments do it. Some [deleted] do it, but the policy as I know it certainly since the days—and by chance, I associate it with his name—since the days of Dr. Kissinger and hostage-taking, kidnapping became more of an international terrorist rage—excuse the word—than previously, you cannot give in to terrorists. You cannot pay ransom for hostages.

[Deleted] do not necessarily agree with that policy, but that was our policy, has been our policy, continued to be our policy until this event took place.

Even more so, we were doing two things at once. I was running and running a foreign policy activity in which I was telling everybody we're not paying any ransom for hostages while we were shipping arms to Iran.

Mr. **Rodino**. You're saying that notwithstanding the fact that you considered it harebrained and real foolishness, nonetheless the emotionalism or something you feel sort of influenced you to permit them to go along with any harebrained idea—couldn't you just say stop now?

Mr. **George**. I can't say stop to the National Security Council if they are going to go out and run an operation without my knowledge and that is what happened with the DEA operation. They decided that my judgment was incorrect and that my decision that it was a scam was wrong and that they were going to run it anyway and they ran it anyway, and now we know, thanks to you, that we ran it with I guess private moneys or moneys that they siphoned off the Iran arms deal, but that is unknown to me. I don't think this administration is singularly guilty of this. This happens to be an incredibly significant event that we are participating in. But over and over again White House after White House has said I think our spy service is no good or they don't know what they are doing or I'm going to start one of my own or I'm going to run my own operation, and it is not the first time and tragically will not be the last time, and on top of which maybe we are wrong.

Mr. **Rodino**. How do you think we control a situation like that?

Mr. **George**. I think we—I think—

Mr. **Rodino**. If they don't listen to someone like you who has experience, expertise and who feels deeply and yet at the same time it goes on notwithstanding as you say.

Mr. **George**. We continue to appoint and elect the best men we can. The Republic will survive. We will look foolish from time to time, we will listen to our experts and then do the best we can.

Mr. **Rodino**. Thank you very much.

Mr. **George**. Thank you, Mr. Chairman. I appreciate it.

Chairman **Hamilton**. Senator McClure.

Mr. **McClure**. Thank you, Mr. Chairman.

I guess there is another answer to that question, we can always elect the Director of the CIA President of the United States.

I have two or three questions. I believe from the testimony that we have seen that the President sincerely believed that he was not running an arms for hostages program, but I think everbody has since come to the belief that no matter what he thought, it had the appearance of an arms for hostage exchange.

Mr. **George**. It certainly appeared at a lower level and certainly we had people like Secord running around the world telling people that that is what the exercise was.

Mr. **McClure**. It became evident enough that that was the appearance that even the President said I don't think so, but I guess that is what it looks like and therefore must be. Isn't the same thing true of the DEA program? They weren't ransoming hostages, they were just bribing people that held them or could expedite their release. But isn't it also true that even if that was their motivation they were not dealing with the people who took the hostages, they were dealing with other people who could get them released and it was only going to come to be an outright ransom program?

Mr. **George**. My opinion, the DEA exercise was an exercise of paying ransom for hostages. There was a double step. The first step was to give them money [deleted] and then give them some more money to go in, and the final step if I remember was that for $2 million apiece and $250,000 to [deleted]. It is a matter of definition, but in my definition you are then paying ransom for hostages.

Mr. **McClure**. No matter how you rationalize, that is what it would become?

Mr. **George**. The big argument about the Iran arms deal was that we were not paying arms for hostages. [Deleted]. There are a lot of subtleties, but I must say I must give you my honest opinion is the DEA activity at the end was a ransom for hostages.

Mr. **McClure**. You don't have it in your book, but we had an exhibit in the Poindexter interrogation, exhibit no. 24. You will note at the beginning of that memorandum there is a reference to the military situation in Iran.

Mr. **George**. The yellow line, the highlighted section?

Mr. **McClure**. Yes. I think Mr. Courter this morning went into the intelligence assessment with you but I don't think he made reference to that particular document. That document shows on its face the assessment that the military situation, Iran's military situation was deteriorating. I think that was later the same statement that the President used in a meeting in the White House when some of the principals were present. I know Secretary Weinberger and Secretary Shultz were at that meeting. Both were asked why didn't you correct the President when he made that statement. Both said well, they didn't pay any attention to it or words to that effect.

That of course doesn't tell us exactly why Admiral Poindexter had that assessment in there [deleted]?

Mr. **George**. This is [deleted], serving their national interests as they perceived them at the time, which is to open up a dialogue with Iran, which has been since the founding of the [deleted] understandably, and if I were there, correctly, to maintain relations with your enemy's enemies and they will forever try to open up a relation with Iran. That said, they judge, and I disagree with this analysis, but who am I to disagree with them, that [deleted] analyzed the situation as such that Iran's deteriorating position in the war with Iraq, potential for radicalization in Iran, et cetera, et cetera, provides that we have to do something.

Mr. **McClure**. Do you have independent evidence that that was the [deleted]?

Mr. **George**. That the [deleted] really believe this or were they trying to influence us, is that the question?

Mr. **McClure**. Either one or both.

Mr. **George**. I think the [deleted] are overly concerned and exaggerate with well meaning the deterioration of the Iranian position. But I also suggest, and I note that the author of this document is one Lt. Col. Oliver L. North, that there is a big heavy spin in here which is why don't you join us up and we all go into an activity together. I had never seen this thing.

Mr. **McClure**. That was not your assessment, however, [deleted].

[Deleted].

Mr. **McClure**. You have testified that the CIA thought Ghorbanifar was not reliable and you had a burn notice against him. Prior to your knowledge that Ghorbanifar was in this initiative, had the CIA been involved with Mr. Ghorbanifar before?

Mr. **George**. Yes, our relations with Mr. Ghorbanifar go back to the '79–'80 period when the Shah fell. Mr. Ghorbanifar as best we can copy it out was a Sabak agent who had used, which was not untypical for the Persians, had used his SAVAK position to make money. He fled Iran, set himself up in London, [deleted]. [Deleted] we used him in the '79–'81 period when the American diplomatic hostages were held in Tehran. Over and over up until 1983, I believe, I think when we issued the burn notice, it became evident to us that Mr. Ghorbanifar's information, intelligence, regardless of the subject, was inaccurate, incomplete, and dishonest.

Mr. **McClure**. In spite of the fact that you had that conclusion and that you tried to dissuade others from depending upon Ghorbanifar, you described it as pretty much a done deal in which there wasn't much you would do about it?

Mr. **George**. You have shown me things I did not know. I was working at a very low level in—just pick the month, December 1985.

Mr. **McClure**. Do you have a feel for who was pushing his use?

Mr. **George**. The Israelis. I think Mr. Ghorbanifar is a recruited agent of the Government of Israel [deleted], we do not believe Ghorbanifar's information.

Mr. **McClure**. Was Bill Casey pushing him?

Mr. **George**. Bill Casey never pushed Ghorbanifar with me. Now I know Casey certainly knew more about it than I knew he knew. When I went in and made my strong plea for breaking off with Mr. Ghorbanifar, Bill Casey moved the operation from myself to someone else.

Mr. McClure. Thank you very much.

Mr. Chairman, my time has expired. Thank you very much, Mr. George.

Chairman Hamilton. Mr. Genzman, do you have questions?

Mr. Genzman. Yes. Thank you Mr. Chairman.

I would like to ask you about the polygraph examination of Mr. Ghorbanifar. Would you turn to exhibit 50?

Mr. George. Again Mr. Genzman, what number?

Mr. Genzman. Exhibit 50. That is the memorandum for the record of the Ghorbanifar polygraph examination on January 11th, 1986. Have you seen that before, sir?

Mr. George. Yes I have.

Mr. Genzman. Following up on Senator McClure's questions I take it that you were concerned about Mr. Ghorbanifar because he had lied to you in the past, had shown himself to be unreliable and therefore the burn notice was sent out, is that a fair statement?

Mr. George. That is correct.

Mr. Genzman. And I take it the concern was that he would continue to lie in respect to this Iran initiative?

Mr. George. We were asked in December 1985 by Michael Ledeen, Bill Casey, and the administration to make contacts with Manucher Ghorbanifar because he was an outstanding source of intelligence on Iran. It now becomes evident after the fact that we were being asked to meet with Ghorbanifar and learn to love him because they were about ready to put us in touch with him in the Iran initiative. So we did not know in December, as [deleted] met him as we polygraphed him in January—the irony of this is I put out a field notice, which is here somewhere, Mr. Kerr pointed out earlier, I sent a cable around the world saying Ghorbanifar is a crook, you will have nothing to do with him and 2 days later I am in the White House being given the Finding to which surprise, surprise, the guy I am going to be dealing with or supporting the National Security Council to deal with is Ghorbanifar.

Mr. Genzman. Certainly by the time of the polygraph examination you knew that Mr. Ghorbanifar was going to be used in the Iran initiative or was in fact being used?

Mr. George. I don't recall that I knew that at all.

Mr. Genzman. Did you receive a copy of exhibit 50?

Mr. George. I am sure I did. What is the date—all right, is there some statement in here that leads you to believe that I know—

Mr. Genzman. If I could direct your attention to the second sentence: "He showed deception on virtually all the relevant questions." If I could direct your attention to the last sentence of that first paragraph: "The tests indicated that he knew ahead of time that the hostages would not be released and deliberately tried to deceive us both independently and with blank."

Mr. George. He had told [deleted], if my memory—I am a little hazy but I am doing my best—he told [deleted] in the meetings that were set up by Mr. Ledeen that he could effect the release of the hostages, and whether he told [deleted] specifically through arms or how I don't know. Remember, [deleted] is operating totally independently of what we now know is the connection with Ghorbanifar on the arms deal. [Deleted] as a case officer has no relationship to that. At this point in this famous meeting with Mr. Ghorbanifar, Mr. Ledeen and Mr. North, who showed up later, Ghorbanifar begins to exude about how he can organize the release of the hostages. And it is a tough question, I don't know how you ask this on a polygraph, it is a silly question, can you get the hostages released yes or no, it implies—he said he knew the Islamic Jihad, which is the crowd in Beirut, and they could release the hostages. We said that that showed signs of deception on the polygraph. I am sorry, I had not read that before.

Mr. GENZMAN. In the last paragraph on the page, it indicates that in discussing the hostage deal Ghorbanifar stated he was very uncomfortable with the questions asked. Does that not imply to you, sir, that the polygraph examiner was in fact asking him questions about the ongoing Iran initiative and the arms for hostages exchange?

Mr. GEORGE. I would have to review that. I appreciate your question and I am unable to give you an exact answer because it goes on in that light. During the break in the testimony, he commented that the Israelis already have $24 million that they are holding of his funds. I will check this out for you. I must say Mr. Ghorbanifar, in all his tales and all his stories, left us bewildered as to who he was dealing with, what, where, how, and when. We were generally lost.

Mr. GENZMAN. In any event the polygraph took place on January 11th, 1986, about a week before President Reagan signed the Finding of January 17th. Was this memo sent to Mr. Casey or Lt. Col. North?

Mr. GEORGE. I wouldn't have—I advised Colonel North, we now know from Colonel North's notebook that Mr. Ghorbanifar had shown deception in 11 out of 13 or 13 out of 15 points. I cannot tell you for a fact, looking at this document, to whom it was delivered inside CIA, meaning specifically did Bill Casey ever see this? I don't know.

Mr. GENZMAN. When you advised Lt. Col. North, did you specify the areas in which Mr. Ghorbanifar had been deceptive?

Mr. GEORGE. If my memory serves me, Mr. Ghorbanifar could only repeat his name and his nationality and pass the machine.

Mr. GENZMAN. Correct, but did you in fact——

Mr. GEORGE. I am sure I told Ollie not only is he having trouble on his polygraph, but he can't get anything straight.

Mr. GENZMAN. Just so the record is clear, did you specify these areas that we have spoken about?

Mr. GEORGE. Did we tell Colonel North the areas we walked him through——

Mr. GENZMAN. Yes, that he knew ahead of time the hostages would not be released.

Mr. GEORGE. I can try to get that answer for you. I can't answer that question. I am sure it is answerable inside my directorate.

Mr. GENZMAN. The document exhibit 50 mentions that neither Mr. Ghorbanifar nor Ledeen had been advised about the results of the test. Did you at some point or did one of your colleagues advise Mr. Ledeen ~~or M~~r. Ghorbanifar as to the results?

Mr. GEORGE. I am almost certain that Mr. Ledeen was advised and, if he was advised, you can count on it like night follows day he told Mr. Ghorbanifar.

**Mr. Genzman.** Do you recall advising——

**Mr. George.** I did not advise Ledeen. I was not in touch with Ledeen, this was being handled primarily through my officer, [deleted].

**Mr. Genzman.** On the third page at clause 2-D, it states that he showed deception on the question of whether he was under the control of the Iranian Government. Do you recall that result?

**Mr. George.** I do not. It would certainly be available to you and the committee, the full results from the polygrapher of that examination.

**Mr. Genzman.** Do you recall whether Lt. Col. North or Mr. Casey was advised of that result?

**Mr. George.** I cannot. I can get you that answer. I cannot answer it.

**Mr. Genzman.** Did you and the CIA receive any information regarding whether Mr. Ghorbanifar was, in fact, under the control of the Iranian Government?

**Mr. George.** No. That was never a charge that—specifically, Mr. Ghorbanifar proved beyond a shadow of a doubt that he had powerful relationships inside the Iranian Government. Mr. McFarlane did not arrive in Tehran accidentally. The release of Mr.—of Reverend Weir after the Israeli flight, which, after the fact, I know appears to be connected. Ghorbanifar, as I was challenged before I believe the Tower Commission, I guess I spent total time speaking down Mr. Ghorbanifar. Mr. Ghorbanifar had powerful friends. As we recall, his most powerful friend in Iran was [deleted]. If you will do the research on [deleted], you will find [deleted]. So he had influence. But what kind of influence? Was he under the control of the Iranians? Yes, he was, to some degree, because he was working business deals.

I could see where he would have trouble answering a question: Are you under the influence of the Government of Iran? Well, to some degree, he was. I made that up. I can get the facts for you, counsel.

**Mr. Genzman.** Thank you, Mr. George.

Mr. Chairman, I have no further questions.

**Mr. George.** Thank you, sir.

Chairman **Hamilton.** The chair recognizes and yields time to Senator Cohen.

**Mr. Cohen.** Thank you, Mr. Chairman. I would like to go back to a point we talked about this morning. That is with reference to the United States selling U.S. equipment for profit, those profits being the legitimate property of the United States Treasury or taxpayers. That would be true even in the event that the CIA were to use a commercial cutout, would it not?

**Mr. George.** Absolutely.

**Mr. Cohen.** That has been the pattern in the past?

**Mr. George.** We deal with U.S. equipment through private proprietaries, Senator Cohen, as you know. Just because it's some storefront [deleted], still it's United States property.

**Mr. Cohen.** Is it fair to say in the January 17 Finding, when there was a reference to third parties and General Secord is thereafter treated as an "Agent" of the U.S. Government, that nonetheless it was contemplated that he was merely serving as an agent of the U.S. Government for the purpose of carrying out this particular transaction of selling weapons to the Iranians and not for the purpose of making a profit, the profits of which would either be used for the Contras or any other project?

Mr. GEORGE. It was mysterious, to give you a personal and then—I am not a lawyer, of course—but a legal answer. It was mysterious as to what Mr. Secord's role was. I think it was to show me he had the benefit of White House—total White House exposure.

Mr. COHEN. I am talking about the face of the Finding itself.

Mr. GEORGE. Looking at the face of the Finding itself, it would be my judgment, as a man who reads Findings and a man who gets involved in them, in covert action Findings that it was not for Mr. Secord to make money, but Mr. Secord to represent the Government of the United States and in a way, we have had people represent us, using U.S. Government property, but we don't go out and say if you make any money, keep it.

Mr. COHEN. You mentioned earlier this morning when you spoke with Oliver North on the phone with reference to the polygraph that Mr. Ghorbanifar had taken, you said that it was clear that Oliver North wanted him to pass the polygraph?

Mr. GEORGE. They wanted us to deal with Mr. Ghorbanifar. They wanted us, to put it in even more practical sense, they wanted us to like Mr. Ghorbanifar.

Mr. COHEN. No matter what the polygraph said? Is that correct?

Mr. GEORGE. Well, the polygraph results came so briefly before I received a Presidential order to deal with him that I really didn't have a lot of time to sit around and argue. So somewhere between whatever the dates are, the 11th to the 17th, before I could, say, go through one more fight about Mr. Ghorbanifar, I received a Presidential order which—would not say so, but ended up meaning we were dealing with Mr. Ghorbanifar.

Mr. COHEN. Even after you became aware of the polygraph results, you didn't go rushing to Bill Casey or the President saying you are forcing us to deal with a liar? You knew from that point on—

Mr. GEORGE. I told Bill Casey after the polygraph, I believe—and I said to counsel—I told Bill Casey the results or [deleted] or one of us said Bill, he's failed 13 out of his 15 questions. It was at that point—and I don't have the chronology exact, that I said I don't want to deal with him anymore, speaking for this directorate. Bill Casey said look, he knows a lot about terrorism, and blah, blah. Off he went to Charlie Allen.

Mr. COHEN. So he was shuffled off to Charlie Allen?

Mr. GEORGE. But in a week I'm back because there was a Finding.

Mr. COHEN. The point is Charlie Allen nonetheless was charged with kind of overseeing his activities?

Mr. GEORGE. Charlie Allen was specifically told to talk to him about terrorism. [Deleted].

Mr. COHEN. Let me go back. A week after the Finding, you are back on as far as the oversight of Mr. Ghorbanifar in concerned?

Mr. GEORGE. Well, no, not really.

Mr. COHEN. That's what I thought you just said a moment ago.

Mr. GEORGE. What I meant to say is that immediately after the Finding, we are told that we are to support an ongoing national security initiative in which we are meeting in Europe with Iranians who have contacts. We fly to Europe and who do we meet? Mr. Ghorbanifar.

Mr. COHEN. At that point what was your role in dealing with Mr. Ghorbanifar from the Directorate of Operations?

Mr. GEORGE. Our role was in the narrow sense at that point to supply logistics and financial support—financial support mechanisms for the National Security Council exercise.

[Deleted].

Mr. COHEN. You also made a reference this morning to Mr. McMahon's anger over the CIA role in November. I think you also talked about that on pages 77 and 78 of your deposition. You don't need to turn to it. My question is Mr. McMahon was fairly upset, was he not, about the CIA's role in the shipment during November? Is that a fair characterization?

Mr. GEORGE. He was terribly upset.

Mr. COHEN. He communicated that visible anger, I assume not only to you but to Mr. Clarridge?

Mr. GEORGE. I was a bystander that Monday morning because I had just come back from a trip. I found him ranting and raving—I am sorry to—that's a slight exaggeration—at Ed Juchniewicz, my deputy. Whether John McMahon personally telephoned Dewey Clarridge or saw him, I can't recall. But Dewey damned well knew that John McMahon was angry.

Mr. COHEN. With respect to the Inspector General's investigation pertaining to the activities down in Central America [Castillo] according to the Tower Board, misled the Inspector General. [Castillo] explained his misleading the IG on the basis that he had received certain parameters—he was told to anticipate certain parameters as far as the investigation and the questioning was concerned.

I think he pointed to you as the one who he understood had set those parameters and so when he was finally questioned by the IG and was given a line of questioning he did not anticipate, he misled the IG.

Mr. GEORGE. His exact phrasing, if I understand it correctly—and [deleted], correct me if I am worng—was that the division chief had instructed him at my instructions. This is absolutely, totally not true.

Mr. COHEN. You gave no instructions to the IG?

Mr. GEORGE. First of all, the IG inspection of [Castillo] started or took place at a time when I was in the hospital.

The instructions I gave—this is the second or third time this has come up. To set the record correct, the chief of the Latin American Division came to me at some point before I left for the hospital and said that [Castillo] was back and [Castillo] was going to appear before the Tower Commission or had been scheduled to, in December. [Castillo] was terribly concerned about the issue of sources and methods, what did I suggest? And I gave the suggestion, Senator, that you and I have worked under for years, which is if it's terribly sensitive, call time out and let's all huddle and see what we are going to do. I would never, and have never—I can't imagine under what conditions except the most sensitive information advise a fellow employee on how to testify before my own IG.

Mr. **Cohen**. Just two more questions, Mr. Chairman.

Exhibit—I believe it's 17, relates to a memo from Colonel North to Robert McFarlane. [Deleted] "the CIA dispatched the cable at tab C through operational channels and all copies have been destroyed."

The question I have is, who decides whether or not the cable traffic should be retained or destroyed?

Mr. **George**. I never heard of us saying to anybody except the Director or the President of the United States, we will destroy all traffic. We don't.

Mr. **Cohen**. The President is the only one who could order destruction, or the Director?

Mr. **George**. I have never run into—I have never in my career run into a telegram from abroad or anywhere else in which I was ordered to make sure everything was destroyed.

Mr. **Cohen**. Just the opposite is the practice? It is preserved?

Mr. **George**. The only strength we have is the ability to maintain our files.

Mr. **Cohen**. OK.

Before the Senate Select Committee, I believe you indicated that you were not aware of the Finding prior to that time. I think you indicated January 18?

Mr. **George**. The morning of the 18th, the day after the President signed it.

Mr. **Cohen**. The question I have is, there is an indication in the documents that you had a meeting on January 13 with Colonel North and Judge Sporkin and then you had a meeting on January 16 with Colonel North.

The question I have is, what would you be discussing with Colonel North and Sporkin on the 13th and on the 16th with Colonel North if it didn't involve some discussion of the Finding process?

Mr. **George**. There was no meeting with North and Sporkin. I would have remembered that. I did not attend a meeting with North and Sporkin. A meeting with North on the—what is the latter date? Seventeenth?

Mr. **Cohen**. Thirteenth with North and Sporkin, 16th with North?

Mr. **George**. Sixteenth, I don't know. My calendar would show if I met with him. I did not meet privately with North and Sporkin.

Mr. **Cohen**. On Janury 18th, you brought the head of the Near East Division with you to the White House. The question I have is, how was it possible that you only learned on the 18th of the Finding if you—

Mr. **George**. I was told by McMahon and Casey I was to go to the White House where I was to be briefed on a National Security Council activity which involved Israel and Iran, and that we would be providing support. So I took [deleted].

Mr. **Cohen**. One final point. On Secord, and this has been talked about, I guess, with a number of members, at the time he was in the White House Situation Room with you on January 18, and I guess I wanted to ask you the question: What did the name Secord mean to you and generally to the Agency at that time?

Mr. **George**. It meant what I told you when I took my oath and appeared before the Senate Select Committee in late November of 1986. Secord had been messed up and involved—in some way engaged in activities on the fringes of Tom Clines, Ed Wilson, international arms traffic. I had no evidence then and I have no evidence now that Mr. Secord is violating law, but there's a world of ours in which there are people we do not deal with and Mr. Secord is one of them.

Mr. **Cohen**. The world of yours—one final point—is it fair to say that people at your level, and I'm talking certainly with Mr. McMahon, Mr. Casey, yourself, Mr. Clarridge, would have knowledge of the—generally General Secord's activities?

Mr. **George**. Absolutely.

Mr. **Cohen**. His is a name that certainly would pop up on the mental screen?

Mr. **George**. I don't see how you could be in this business and not know the name of Richard Secord.

Mr. **Cohen**. Thank you very much.

That's all I have, Mr. Chairman.

Chairman **Hamilton**. Mr. DeWine is recognized for 10 minutes.

Mr. **DeWine**. Thank you, Mr. Chairman.

[Deleted].

Mr. **DeWine**. Thank you very much. Thank you, Mr. Chairman.

Chairman **Hamilton**. Sentor Nunn? Ten minutes.

Mr. **Nunn**. Thank you, Mr. Chairman.

Mr. George, you may have answered this, as I have had to be in and out today, regrettably. When did you first know about the diversion of funds from the arms sales to the Contras?

Mr. **George**. On or about the day that the Attorney General made the statement. I am told by [*C/CATF*] that I told him earlier in the day prior to the Attorney General's statement, but certainly I did not know about the diversion of the funds any more than a day before, and if I did, I wouldn't know how I learned that.

Mr. **Nunn**. Did you talk to Director Casey about that subject either before or after that press conference by the Attorney General?

Mr. **George**. On the 17th—correct me on the record—the 20th—the day Bill Casey came back from his trip to Central America. The 19th of November, 1986. As you know—may know, Senator Nunn, from previous testimony, or from Mr. Gates' testimony, there was great chaos at CIA in putting together Bill Casey's testimony. We had sent down a proposed testimony on a plane for him to read on his way back.

That night, some 25 of us, at least, gathered in Director Casey's conference room to discuss his testimony. My role—I had seen up until then—was to gather the specific activities of the Operations Directorate and give those, in turn, to Bob Gates' special assistant who was collating all the materials from the whole agency on what we had done.

In that meeting, and it was extremely complicated, and people wouldn't know, and Bill Casey, we now know, was very sick and gave an appearance of exhaustion. An individual at the meeting, I thought it was Bob Gates, Bob said it wasn't he. Others have remembered it. Someone said, "Bill, not only is this chaos and how are we going to explain it, and you know we had a Finding we didn't tell Congress," the rest of it, but, "Bill, there is discussion of a diversion of Iran funds."

And Bill Casey replied, "I know absolutely nothing about that." And that was the only time, Senator Nunn, that I ever heard Bill Casey comment on it whatsoever.

Mr. NUNN. And that date was?

Mr. GEORGE. The 20th of November, 1986.

Mr. NUNN. That was before the Attorney General had discovered that memo?

Mr. GEORGE. I don't know, sir. I know of what I speak.

Mr. NUNN. Where did that information come from? Do you recall who said that? How did they know about the diversion?

Mr. GEORGE. Doherty, our General Counsel, remembers the question that someone—I didn't ask it. Someone said, "Oh, Bill, there are rumors there's been diversions of funds."

Mr. NUNN. I wonder how they would have known at that stage?

Mr. GEORGE. I have no idea, Senator.

Mr. NUNN. Can you find out who that was?

Mr. GEORGE. I think we can get you information, because I have brought that to the attention of our lawyers and asked them to walk through the entire group at that meeting.

Mr. NUNN. Will you do that for us?

Mr. GEORGE. I certainly will.

[Deleted] reminds me that the memo I didn't see, the Charlie Allen memo suggesting there may be diversion of funds, had been made available to some people inside the Agency. But I can get that for you.

Mr. NUNN. Did you have any conversations with anyone else out at CIA about whether Director Casey knew about the diversion subsequent to that event?

Mr. GEORGE. No.

Mr. NUNN. Have you since?

Mr. GEORGE. Well, since Oliver North and Ed Meese and John Poindexter have testified, Senator, I've probably discussed this with everybody in the family, and at the CIA.

Mr. NUNN. Have you had anyone tell you that they had information on this, direct or indirect?

Mr. GEORGE. I have not. Never once have I heard anybody say either over a beer or in a dead serious conversation, let me tell you what I know. I am the only person that I know, except I think [deleted], and there's somebody else at this meeting I attended that heard those words out of Casey's mouth, which were I heard nothing about diversion.

Mr. COHEN. Senator, would you yield for a question?

Mr. NUNN. Sure.

Mr. COHEN. Weren't there [deleted] that Charlie Allen was at least reviewing that had to do with the pricing and overpricing of the weapons?

Mr. GEORGE. So I am told. I was not aware of that. If I had access [deleted], they went in one box and out the other.

Charlie and [*C/CATF*], according to the testimony, was the man who discovered or suspected or thought having read closely through [deleted] that there is some money monkeyshines going on.

That led to his briefing of, I think, Bob and the Director at some point. But I was not in on that one.

Mr. COHEN. Thank you, Senator Nunn.

Mr. NUNN. Did you know Oliver North personally or professionally?

Mr. GEORGE. Professionally quite well.

Mr. NUNN. You have heard him testify that Director Casey knew?

Mr. GEORGE. That is right.

Mr. NUNN. You were there when Director Casey said he did not know about the diversion?

Mr. GEORGE. In this one remark in a room with 25 people.

Mr. NUNN. Do you have any suggestions for the committee in trying to determine who is telling the truth on that subject, Director Casey or Colonel North?

Mr. GEORGE. I do not.

Mr. NUNN. One other subject here, Mr. George. There was a memorandum from—for the record, from Charles Dunbar, State Department, December 14, 1986. I am going to read you a quote from that. I don't know which exhibit that is. Let me read it to you and see if you know anything about this.

"Poindexter told Cave—"—and that reference is to George Cave—"—that he personally asked the Kuwaitis to do something about the Dawa prisoners. Cave believes Poindexter met with the Kuwaiti Foreign Minister here in the fall and may have seen him in the region at some point, as well."

"North also met with the Kuwaiti Ambassador and perhaps with other foreign officials as well."

My question to you is, do you know anything about Poindexter, North, or anyone else in the U.S. Government asking the Kuwaits to release the prisoners or putting any degree of pressure on them to release the Dawa prisoners?

Mr. GEORGE. No. [Deleted].

[Deleted] in no uncertain terms that it was the intention of the Government of Kuwait to keep those prisoners until they had completed their sentences or whatever.

Mr. NUNN. So all the information you had was precisely the opposite from the import of this memo?

Mr. GEORGE. I haven't read this, but from the import of what you read me, yes.

Mr. NUNN. You don't know anyone in government who was actually asked or that actually contacted the Kuwaitis about releasing the prisoners?

Mr. GEORGE. I know no government official who contacted the Kuwaitis to ask them to release the Dawa prisoners. In fact, to the opposite. I am familiar with a message from the President of the United States to the Sheik of Kuwait urging him not to bend under any pressures.

Mr. NUNN. Do you know anyone outside government acting on our behalf, on the government's behalf, that was putting pressure or asking Kuwait to release the prisoners?

Mr. GEORGE. No, sir.

Mr. NUNN. One other question, Mr. George. When Colonel North testified, he started his testimony by saying that a covert operation is a lie itself. The implication of that was that other lies that flow therefrom are natural and recurring events in covert operations.

Would you give us your own view, since you have been involved in this business for a long time, about how you deal with your fellow officers and agents in carrying out a covert operation?

Whether lies are necessary within the operation itself?

Mr. GEORGE. I disagree with Colonel North, as strongly as I can disagree with anyone. This is a business which you know, Senator Nunn, from your experience on the Senate Committee and many of you who have dealt with me and more importantly with my Agency, this is a business of trust. This is a business that works outside the law, outside the United States.

It is a business that is very difficult to define by legal terms because we are not working inside the American legal system. It is, and I have been asking you, and you heard me say many times, it is a business of being able to trust and have complete confidence in the people that work with you.

And to think that because we deal in lies, and overseas we may lie and we may do other such things, that therefore that gives you some permission, some right or some particular reason to operate that way with your fellow employees, I would not only disagree with, I would say it would be the destruction of a secret service in a democracy.

And I also believe, and I would like particularly to say this to you, and I said it to Senator Cohen this morning. I want you to know, and I know we have recently had an agreement—disagreement over—that you may have thoughts otherwise, I deeply believe with the complexities of the oversight process and the relationship between a free legislative body and a secret spy service, that frankness is still the best and only way to make it work.

Mr. NUNN. Thank you very much. I won't go back into that subject because I know you have gone into it already.

Thank you, Mr. Chairman.

Chairman HAMILTON. Mr. Stokes, 10 minutes.

Mr. STOKES. Thank you, Mr. Chairman.

Mr. George, let me start out with an area that was just touched upon by Senator Nunn. In reply to his question, you indicated that after Colonel North and Admiral Poindexter testified here, that you discussed that testimony with almost everybody.

Mr. GEORGE. It is a national topic, Mr. Chairman.

Mr. STOKES. That is right. Nothing wrong with that, because it is on the lips of everybody in the country, I think.

But based upon those conversations as it relates to the so-called fall-guy plan devised by Director Casey where, in the event that the diversion ever hit the light of day, that Colonel North was to take the spears in his chest, what was the consensus of those with whom you have talked? Do you believe that he devised such a plan?

Mr. GEORGE. Those at the Agency do not.

Mr. STOKES. From everything you know about Director Casey and how your business operates, do you guys devise those types of plans or does the fall guy——

Mr. GEORGE. I have never—I suppose overseas somewhere, we'll do something to make somebody look like they are guilty of something in some intelligence operation, but the fall-guy plan as it came out of your hearings in the U.S. Government context is, I've never heard of such a thing.

Mr. **Stokes**. Let me ask you this. Senator Cohen just asked you about [deleted] that came across your desk and I think you indicated it may have gone into your in-box and you didn't pay much attention to it, but I think that you testified in your deposition that you received [deleted] concerning the Iranian initiative, and I think you also said that you didn't read most of it, and I understand that. But in terms of those who have a responsibility to read it, would you have looked to someone in the directorate to bring this to your attention regarding this overcharging matter?

Mr. **George**. I would have looked upon my Near East Division—most of what I remember, and I'm told there is [deleted] from the late 1986 period—excuse me, late '85 period of contacts between [deleted] and possibly hints of American involvement, and that is very unclear.

Once the Finding was signed, that great mass of material which I know this committee has or should have [deleted].

I would have looked towards my Near East Division to monitor that. At no time, and I would trust them to monitor that, but no one read that in the detail that ever led them to come to me and say, as it did lead Mr. Allen to come to I believe the Director and Deputy Director and say, there appears to be indications of overcharging.

I might make a point which has been made to me by several of my Near East and Iranian types, we are not left speechless when we read about overcharging. To us, what that means is you are paying off in the country you are doing business in in order to do business. I charged this but it was really that is, as everybody in this room knows, a common way of doing business in the Middle East, and be it a fair or unfair excuse, I think there have been occasions when people have seen the idea of more money than there appears to be or vice versa, rather than saying, holy cats, the United States side, Mr. Secord, Mr. North, Mr. Hakim is doing it. It was, we are paying off people inside Iran in order to achieve goals. That is a generalization that has been brought to my attention.

Mr. **Stokes**. As you reflect back now in terms of hindsight, do you think the CIA did a good job of monitoring the intelligence on the Iranian initiative or not?

Mr. **George**. Was our performance a good performance——

Mr. **Stokes**. Basically I think that is what I'm getting at, your evaluation.

Mr. **George**. I'm to blame for most of it because I—I mean of what I know about it. I don't know what the hell an intelligence service does when it is not allowed to participate fully inside what is basically a clandestine operation.

I think that a terrible mistake was made in the summer of 1985 when, if I am to believe what I'm told, the Israelis came to Bud McFarlane and said, "We've got a deal, but don't tell CIA." I think you make a great mistake not telling your spy service.

First of all, your spy service is everywhere and starts hearing about things. I think what should have happened at that particular moment is that we, not necessarily me, but whomever, John McMahon, Bill Casey, representatives from my service, should have sat down with McFarlane and been allowed to help decide the validity of the Israeli request. When that didn't happen, when we played with less than a full deck, as I said, I think we protected ourselves—if I exaggerated anywhere along the line, I became very protective of the institution. I think we did not do badly in protecting ourselves. I cannot be proud of our overall performance because if we would have succeeded, this would never have happened.

Mr. STOKES. That leads me into my next question, because that has been one of my concerns. When you look back at the January 17, 1986, Finding on Iran, it appears to be directed to the CIA. Yet you and others at the Agency have insisted that the CIA played only a support role in the Iranian operation.

There are some of us who, having some knowledge of intelligence operations, have commented upon the fact that the professionals in this business were not used, particularly when it came to the DEA ransom operation, and in the case of the Iranian operation also. NSC was chosen to conduct it.

I guess the logical question is, why didn't Director Casey fight this? If you know.

Mr. GEORGE. I'll let you in on a secret. The way to handle Bill Casey was outflank him to the right, charge him with being less than adventurous, suggest that maybe he really wasn't ready to take the high risk. What Bill Casey needed around him were cautious people to some degree, not frightened people, but cautious people.

I would suggest, and I guess I can suggest as well as anybody because God knows I dealt with him night and day, Bill Casey fell afoul to a charge in the White House that "come on, Bill, we have had enough of those"—as Dick Secord titles us—"shoe salesmen; let's get a real operation together and really do something."

Mr. STOKES. That is what I to a large extent sort of suspected, that there may have been a question——

Mr. GEORGE. Please, I'm not sure Bill Casey knew everything and I question a great deal, and it is not mine to question, of the charges made against Bill Casey before these committees and taking the fall after you're dead is the last great fall, but there is no doubt about it, Bill Casey was very vulnerable to the, "oh, come on, Bill, those bureaucrats, let's get out and sock it to them." He may have allowed himself to be convinced.

Don't forget the significance of the fact of Mr. Ghorbanifar, contacts with Iran, plans for the release of hostages, plans for the development of contacts with moderates was brought to us by one of our very closest allies, in whom we have very great trust, in whom we place a Middle East role of unbelievable significance, the Government of Israel—the Israelis will admit that this was a mistake, so there was a variety of things that happened. Casey's weakness was probably to say, "oh, we'll take a chance."

Mr. HYDE. Would you yield to me?

Mr. STOKES. Yes.

Mr. HYDE. Isn't it a fact that the CIA bureaucracy, as the State Department bureaucracy and possibly the Defense Depatment bureaucracy, were not hot for this thing at all and there was a fear of

Director Casey's that had the CIA been into operations on this that there might have been leaks or there certainly would have been a lack of enthusiasm for it, and better to go with the gung-ho guys who felt this was a great, neat idea, is that too wild a speculation?

Mr. GEORGE. Mr. Hyde, I don't agree. I think we have—working within a government structure, we have as bold and as adventurous a government structure as there is, and we understand who the Director is and the President is.

I cannot buy the theory that you won't tell your CIA experts because you believe they are going to say no. Tell them and if they say no, and you think they are crazy, go ahead and do it, but see, they didn't tell us.

Mr. HYDE. Was Mr. McMahon thrilled with this idea?

Mr. GEORGE. Absolutely not.

Mr. HYDE. Do you think that played any role in Mr. Casey's moving in another direction rather than the Agency?

Mr. GEORGE. Well, again, John McMahon is as close a friend as I have, and I respect him totally, but John McMahon's life has never been abroad running operations. I would ask, not Clair George, ask Bert Dunn, ask [deleted], ask six other guys, call in your experts and say to them, what the hell do you experts think of this idea. That is what you have experts for. If we had said this really stinks, Bill, Bill is still free to say OK, fine, goodbye.

Mr. HYDE. I thought that was done but I wanted to probe as to why it wasn't done.

Mr. STOKES. Mr. Chairman, I request one additional minute.

Mr. HYDE. If I promise never to talk again in this committee, would you give the gentleman——

Chairman HAMILTON. That is too good a deal to turn down. I recognize Mr. Stokes for one additional minute.

Mr. STOKES. Thank you, Mr. Chairman.

My last question is, in your deposition you say on a number of occasions that you felt it was your job to listen to Ollie North, but that many of his schemes were "harebrained," that is a quote from your statement in the deposition.

Mr. GEORGE. I was going to disagree with that statement, but the more I reflect, I think I was right, they were hairbrained.

Mr. STOKES. Your attitude appeared to be to let him and others like him plan to their heart's content, but not to approve their operations, but you have testified that he and Director Casey were very close. I guess my question is do you think that Director Casey shared your attitude about Oliver North?

Mr. GEORGE. I think Casey looked upon North, he loved North very much, he liked action people. I like action people. Bill Casey was the last great buccaneer from OSS. He was dropping agents into Germany and France and saving lives when most of us were doing nothing. This was a great guy, Bill Casey, and he saw in Ollie North a part of that and he liked Ollie. But you could get to Casey and say Ollie is crazy and Casey would change his mind.

I am a great believer, and this is the point—and we have to watch in hearings like this, we don't want to stop government intelligence officers, all I know, from thinking about, planning about [deleted]. You would also hope that your government employee would say, Jesus, that sounds pretty dumb. We want to keep people planning things, plans were going on all the time.

Casey liked that. Ollie was a planner and, yes, Ollie had a lot of harebrained schemes and Ollie had good schemes.

Mr. **STOKES**. Thank you.

Chairman **HAMILTON**. Mr. McCollum.

Mr. **McCOLLUM**. Thank you, Mr. Chairman.

Mr. George, I don't want to beat a dead horse, but I would like to followup on those questions about Mr. Casey. Admiral Poindexter told us when he testified that the way it came about that the CIA didn't do the operation on the Iran initiative was after the Finding was made that Mr. Casey chose Oliver North to do it.

Mr. Clarridge testified that he was personally aware that Mr. Casey wanted the CIA, would have preferred the CIA to run the entire Iranian initiative, but he didn't want to name you or McMahon or anyone else, but he said others in the Agency weren't real keen on it. He wasn't sure of the details of how it came about, but obviously Mr. Casey didn't go with the Agency on it.

Then you told us earlier in your testimony, not just in response to the last two questions, that at some point you went in and told Mr. Casey that you didn't think so much of Mr. Ghorbanifar and after that you didn't run the operation, you didn't have any more really to do with it except logistics. Is that a fair summary of this situation? Was there a time when you actually sat down when Casey said I want to go with this thing and you said I don't like Ghorbanifar?

Mr. **GEORGE**. I was never invited at all, nor my fellow professionals in the Operations Directorate, to comment upon the validity, success quotient of the Iranian arms deal. It was presented to us. Would—that is Mr. Hyde's question again—if he asked us, would we have said no.

Mr. **McCOLLUM**. Why did Mr. Clarridge say from his personal knowledge he knew because Director Casey had said it in his presence that he would have preferred to have the Agency do it?

Mr. **GEORGE**. I don't know. Bill Casey never said that to me. I expressed great concern about Mr. Ghorbanifar. I never ever heard, nor to this day have I ever seen, and I understand your committee or the Independent Counsel or someone is beginning to receive information from the Government of Israel—what did they know? Maybe they knew a lot more about what was happening than I do.

Mr. **McCOLLUM**. When did you express this about Ghorbanifar to Mr. Casey?

Mr. **GEORGE**. December 1985.

Mr. **McCOLLUM**. The diversion comment, November 20, 1986——

Mr. **GEORGE**. I had a meeting I attended in the Director's office at CIA as I told Senator Nunn, with Bill Casey.

Mr. **McCOLLUM**. The word "diversion"—was that word itself actually used——

Mr. **GEORGE**. I think the sentence—it wasn't the shorthand that it has now become in the United States. I think the statement was, Bill, there is talk that some of the money that was received from the Iranian arms deal has been used for other purposes, which is now in shorthand the word "diversion."

Mr. **McCollum**. There is a lot of confusion here. When [*C/CATF*] was testifying, I think [deleted] was down visiting in Central America with Casey and there was a discussion between [deleted] and [*C/CATF*] at some point where he said he first got the idea and had initially used the term diversion and explained, well, the discussion never used that term, it was about the fact there was a cost difference between the pricing.

Mr. **George**. Yes.

Mr. **McCollum**. That had been discovered, and it was Furmark's comments to the Director and that was all going around the Agency at the time. I cannot take from what you are saying, unless you can make it more explicit and strengthen it for me, that the comments made in your presence on the 20th to Director Casey and his response to that really showed whether he did or didn't know about the diversion of moneys from the Iranian initiative to the Contras, but rather simply it seems to me, unless it is more tied down than that as to the meaning, it simply goes further to show that there was some discussion and knowledge going on about there being a problem here, there was excess money, a profit, and maybe that was used somewhere else?

Mr. **George**. I agree. I only threw that out, that that was my only knowledge and my only experience of William J. Casey to me, in my presence, expressing a comment.

Mr. **McCollum**. I am just trying to clarify it. I don't want somebody reading over dry, redacted testimony here coming up with great stories that might not be true.

Mr. **George**. That's true, sir.

Mr. **McCollum**. It is my understanding that initially you were opposed to the creation of the [deleted] in the CIA.

Mr. **George**. That is false.

Mr. **McCollum**. There have been no problems within the CIA in terms of turf battles over that [deleted]?

Mr. **George**. Big problems. Every time you organize a new outfit inside a government bureaucracy, everybody's turf is stepped on, everybody starts yelling and screaming, everybody says there's a turf battle going on between the NE Division and the [deleted] and the European Division and the [deleted] which rages today.

The establishment of the [deleted], I believe, was an excellent idea, and if I might take some credit for it, I think I was one of the people, if not the person, who thought it up, which leads me to ask the only question of the day—who said I opposed it?

Mr. **McCollum**. That is what I heard. I am putting rumors to rest.

Mr. **George**. I have so few good ideas, but when I am told I am against the only one I had, it breaks my heart.

Mr. **McCollum**. We have a lot of leaks around here. That is from my sources. They must not have been too reliable in this case.

With respect to the Near East Division, is there cooperation now going on?

Mr. **George**. It will work. I like a little fighting inside the outfit to keep the guys on their toes, let them struggle a little bit, who is going to get promoted, the guy that is going to get the intelligence. You have to be a smart manager, know what you are doing. The last thing you want in your spy service is a lot of happy, content bureaucrats.

The problem, if I may, is that for 3 weeks in a row, and to me it is a shock—I spent a lifetime "in the shadows." I am finding great trouble having my name in the paper—3 weeks in a row *Newsweek* magazine called me an absolutely uncontrollable cowboy, and this had me upset. I was nervous.

But then it got worse, because I heard Mr. Secord call me the chief of the shoe salesmen. I think somewhere in the middle there is the ground I am looking for.

Mr. **McCollum**. Let's take whichever it is back down to Central America for a minute. Senator Nunn, in questioning [Castillo], who I will refer to as Castillo or the [deleted], so we don't get too many reactions, when Senator Nunn was questioning him in his testimony, Senator Nunn said, "Would you agree with this statement or disagree with it, made October 14, 1986," and what he is doing is quoting from your testimony before the Intelligence Committee—"The CIA is not involved directly or indirectly in arranging, directing, or facilitating resupply missions conducted by private individuals in support of the Nicaraguan Democratic Resistance."

Castillo said, "I would have to disagree with that. My participation did facilitate because it provided information. I couldn't interpret that to mean otherwise."

The reason I read that is because the question of knowledge of those superior to [Castillo] has been of great import. In his testimony elsewhere, when I was questioning him and when counsel questioned him, he made it very clear that when [*C/LA*] was down to visit, who was then the head of the Latin American Division, when the head of the Latin American Division came down in April and again another meeting was in May for another purpose, but in the April meeting [Castillo] said explicitly in his testimony that he informed the Latin American Division head of the KL-43 and of the communications that were going on, and it has also been brought out that when this meeting [deleted] was taking place in May, he presented some of these matters, and the Latin American Division Chief was very concerned about the political problem, as he put it, and supposedly, though we have never taken his deposition, the notes we have from the interviews with the head of the Latin American Division, came back to report that there were some problems there [deleted].

Do you recall [*C/LA*] coming to you ever to discuss those problems in May of 1986, ever mentioning the KL-43 or anything?

Mr. **George**. He never mentioned the KL-43, and I think [*C/LA*], whom I had yanked out of [deleted], was in a state of shock to be in [deleted], and I truly believe that he, as he testified when shown this piece of equipment, which we know was a KL-43, didn't know what was going on.

I was familiar with the fact that there were great problems in identifying the manner in which it would have been legal for us to provide intelligence to the Contras and, in turn, to pass it to anyone supporting them, and there was a question whether [Castillo] was making those contacts directly and we advised [Castillo] not to do that.

To the best of my knowledge, he had not done that. When I testified in October 14, 1986, and I apologized to Senator Nunn and Senator Cohen—it was not my attempt to lie—I was fixed on CIA responsibilities, I was hesitant to correct a government official whom I did not know well—I had my testimony corrected for the record with both the House and the Senate Intelligence Committees after I learned what had happened to [Castillo]—let me one more time say for [Castillo], and I know many of you have worried about his activities—I will say, as I said this morning, he is an outstanding officer who was put in a terribly difficult position, and I think I would even be more explicit, I would defend [Castillo] for having had to do what he did—God knows what any of us would have done.

I think the only thing outstanding, and it is not for me to say, is the manner in which [Castillo] explained these things to the IG or other people.

Mr. McCollum. The question is whether he mentioned the KL-43 or not in your Latin American Division—did he talk to you about the political problems, about the problems he saw down there?

Mr. George. [*C/LA*] did not talk to me about the KL-43. He talked to me about his concern of [Castillo] delivering intelligence information to [deleted] for use by the private benefactors—the manner—we were allowed to provide intelligence to the Contras. The Contras could then give it to anybody they wanted to. Our rules, not the law—the law has never been specific on this—said we, CIA, will not provide that intelligence directly to the private benefactors, and we were worried that [Castillo] might do that.

Mr. McCollum. And you were worried about what was happening—OK, fair enough. But to the degree that your testimony said that you weren't facilitating or there was no facilitation, that was an error—

Mr. George. I did not know of [Castillo's] activities at the time through Oliver North.

Mr. McCollum. I understand that, but you knew from [*C/LA*] that at least intelligence information was being gathered——

Mr. George. I had been informed that had been corrected.

Mr. McCollum. One last question. There had been a lot of talk about leaks, leaks here, leaks there, leaks everywhere. I know you have your famous people who have gone and we have read about them informally occasionally from the Agency, and these have been espionage problems, but in general to the outside world, do you have problems at the Agency like some of the people downtown have with leaks?

Mr. George. I think there have been some leaks out of the Agency. I follow that very closely. One of our biggest problems in the leaks business are retired intelligence officers. Maybe this life in the shadows causes these guys, when they get outside this outfit, to want to tell every newspaperman in Washington. I have read stories in which I am convinced that the information had to only come from inside the Agency.

Mr. McCollum. Do you have rules and regulations about contact with the press, not just what you say, but—

Mr. GEORGE. You are not allowed to contact the press—if you live next door to Bob Woodward, we would tell you to move, but if you live next door to the guy from the *Beaver Falls News Tribune*——

Mr. McCOLLUM. For example, you mentioned Bod Woodward. You know him?

Mr. GEORGE. I have met him.

Mr. McCOLLUM. You don't have the contact with him?

Mr. GEORGE. I decided there was only one way to beat this rap. I don't talk to journalists anywhere ever. Actually, if I go to a cocktail party, unless it is embarrassing to the person, I will not talk to them because I really am trying to be Caesar's wife.

Mr. McCOLLUM. And lie detectors, do you give lie detector tests? [Deleted].

Mr. McCOLLUM. When is the last time you had one?

Mr. GEORGE. I had one in 1983.

Mr. McCOLLUM. I think you answered a lot of our questions. I appreciate your time.

Mr. Chairman, it's the last witness I get to question. I greatly have enjoyed working with you. Thank you. I yield back.

Chairman HAMILTON. Mr. George, in his testimony before the committee, Lt. Col. North indicated that in preparation for his trip to Tehran, the Director had given him some suicide pills to use in the event he was taken hostage or tortured. Do you know anything about that?

Mr. GEORGE. That's absolutely impossible.

Chairman HAMILTON. It's impossible? Why do you say it's impossible?

Mr. GEORGE. [Deleted]. The rules, regulations, controls, signing procedures for such an activity are absolutely ironclad. It's like the controls on nuclear weapons. And William Casey would not have—I mean, he may have given him a bottle of sleeping pills, but when you talk about a lethal pill to me, we are talking about something that is cyanide that will kill you on the spot. And I tell you, William Casey would not suggest or give Oliver North suicide pills.

Chairman HAMILTON. Would he have had the authority to do so?

Mr. GEORGE. Casey?

Chairman HAMILTON. Yes.

Mr. GEORGE. To give North suicide pills?

Chairman HAMILTON. Could he have done that under the rules and regulations of the Agency?

Mr. GEORGE. I would think not.

Chairman HAMILTON. Are there further questions?

If not, Mr. George, we thank you, sir, for your testimony. You have certainly been helpful to us. We have been pleased with your appearance, and the joint hearings will stand in recess until the call of the chair.

Mr. GEORGE. I am told that I could be, sir, a trivia question some day. Who was the last person to ever appear before the Iran-Contra committee?

Chairman HAMILTON. You might be right.

Mr. GEORGE. Thank you, Mr. Chairman.

Chairman HAMILTON. Thank you, sir.

[Whereupon, at 4:01 p.m., the Select Committees were adjourned, subject to the call of the chair.]

# APPENDIX A: EXHIBITS

## EXHIBIT DRC-1

The cables shown in parentheses are previously-transmitted cables referenced by an originating office. The time indicated on the cables is Greenwich Mean Time. [redacted]

*Missing cable

**Cable transmitted twice

DIRECTOR [redacted] 1985

NOV 22

624839 -------→ [redacted]
624939 -------→
*(625103)←-------
←-------
625792 -------→
625908 -------→
(625792)←-------
←-------
←-------
←-------
626226 -------→
626449 -------------------→
626552 -------→

[redacted]

NOV 23

(626226)←------- [redacted]
(626552)←-------
626939 -------------------→
(626449)←-------------------
←------- [redacted]
←-------
←-------
←-------
←-------
←-------
627461 -------------------- [redacted]
←------- [redacted]
←-------
←-------
627576 ------------------------------→
←-------
←-------
627621 -------→
627626 -------------------→
627627 -------→
←-------
(627461)←------------------- [redacted]
[redacted] ←-------------------

[redacted]

Partially Declassified/Released on 12 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
DRC-1

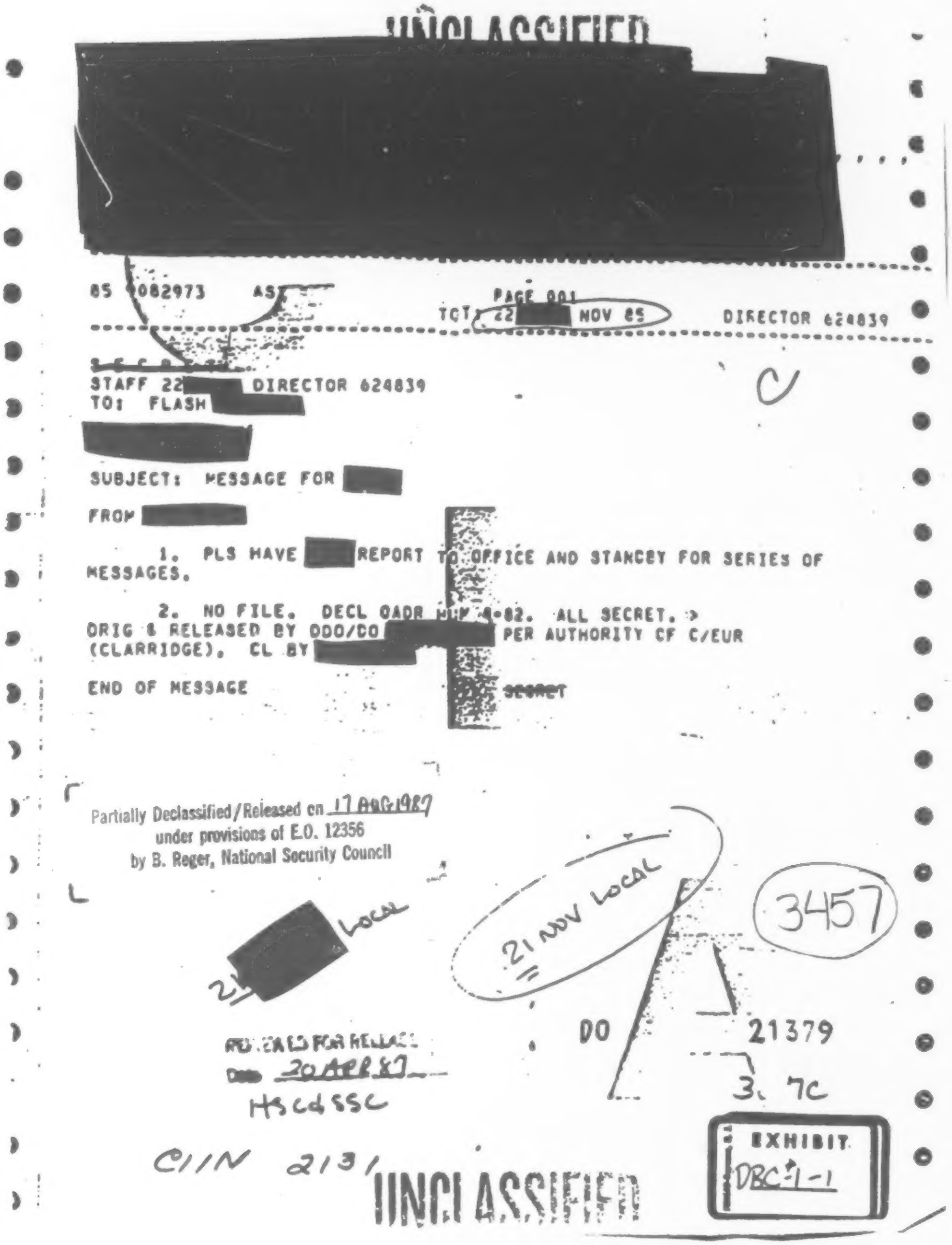
3456

UNCLASSIFIED

| DIRECTOR | [redacted] | Date |
|---|---|---|
| 627760 | → | 11/24/85 |
| (627760) | ← | |
| 627797 | → | |
| 627896 | → | |
| (627896) | ← | |
| (627896) | ← | |
| (627896) | ← | |
| 628215 | → | |
| (628215) | ← | |
| 628227 | → | |
| (628227) | ← | |
| 628234 | → | 11/25/85 |
| (628234) | ← | |
| (628234) | ← | |
| [redacted] | ← | |
| (627576) | ← [redacted] | |
| [redacted] | ← | |
| 628289 | → | |
| 628303 | → | |
| 628350 | → [redacted] | |
| 628366 | → [redacted] | |
| (628289) | ← | |
| (628303) | | |
| (628289) | ← | |
| 628547 | → [redacted] | |
| 628681 | → | |
| (628547) | ← | |
| | ← [redacted] | |
| 628752 | → | |
| 628959 | → [redacted] | |
| (628959) | ← | 11/26/85 |
| [redacted] | ← | |
| (628366) | ← [redacted] | |
| | ← [redacted] | |
| (REDACTED) | ← | 11/27/85 |
| 631009 | → | |
| 631010 | → [redacted] | |
| (628289) | ← [redacted] | |
| 631110 | → | |
| 631112 | → [redacted] | |
| [redacted] | ← | |
| (628366) | ← [redacted] | |
| 631532 | → [redacted] | |
| 631683 | → | |
| 631684 | → [redacted] | |
| (631684) | ← [redacted] | 11/29/85 |
| 638740 | → | 12/3/85 |
| (631684) | ← [redacted] | 12/10/85 |
| 648702 | → | 12/11/86 |
| | ← [redacted] | 1/6/86 |
| | ← [redacted] | 1/23/86 |

UNCLASSIFIED

## Exhibit DRC-1-1



UNCLASSIFIED

[redacted]

85 082973 AS

PAGE 001

TCT: 22[redacted] NOV 85 DIRECTOR 624839

S E C R E T

STAFF 22[redacted] DIRECTOR 624839

TO: FLASH [redacted]

[redacted]

SUBJECT: MESSAGE FOR [redacted]

FROM [redacted]

1. PLS HAVE [redacted] REPORT TO OFFICE AND STANDBY FOR SERIES OF MESSAGES.

2. NO FILE. DECL OADR HUM 4-82. ALL SECRET. >
ORIG & RELEASED BY DDO/CO [redacted] PER AUTHORITY OF C/EUR (CLARRIDGE), CL BY [redacted]

END OF MESSAGE SECRET

C

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

2[redacted] LOCAL

21 NOV LOCAL

3457

REVIEWED FOR RELEASE
Date 20 APR 87
HSC & SSC

DO 21379

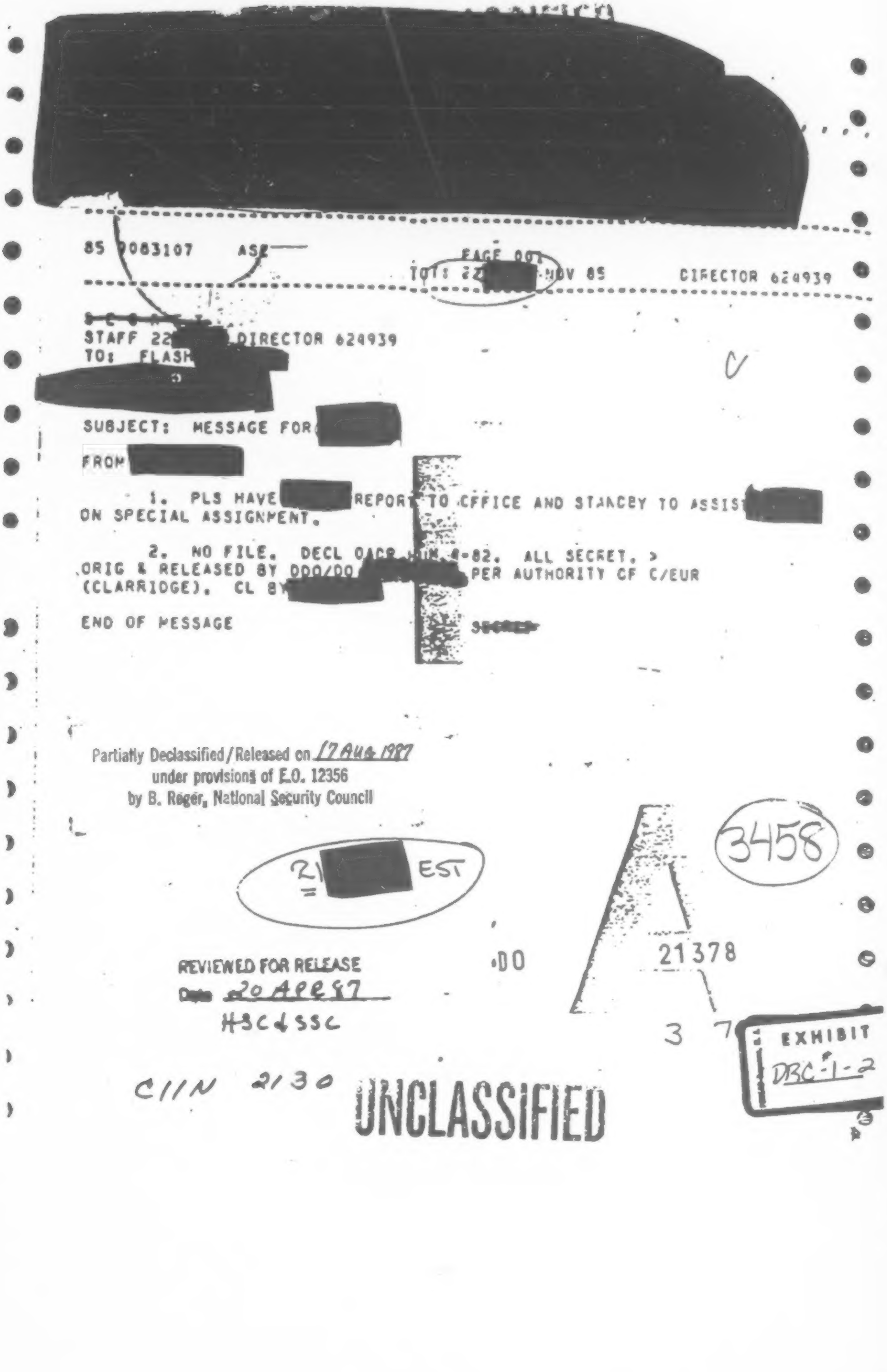
3. 7C

EXHIBIT
DRC-1-1

C/IN 2131

UNCLASSIFIED

# Exhibit DRC-1-2



[redacted]

85 0083107 ASE

PAGE 001

TOT: 22[redacted]NOV 85 DIRECTOR 624939

~~S E C R E T~~

STAFF 22[redacted] DIRECTOR 624939

TO: FLASH[redacted]

[redacted]

V

SUBJECT: MESSAGE FOR[redacted]

FROM[redacted]

1. PLS HAVE[redacted]REPORT TO OFFICE AND STANDBY TO ASSIST[redacted] ON SPECIAL ASSIGNMENT.

2. NO FILE. DECL OADR HUM 4-82. ALL SECRET. > ORIG & RELEASED BY DDO/DO[redacted]PER AUTHORITY OF C/EUR (CLARRIDGE). CL BY[redacted]

END OF MESSAGE ~~SECRET~~

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

2[redacted] EST

3458

DO 21378

3 7

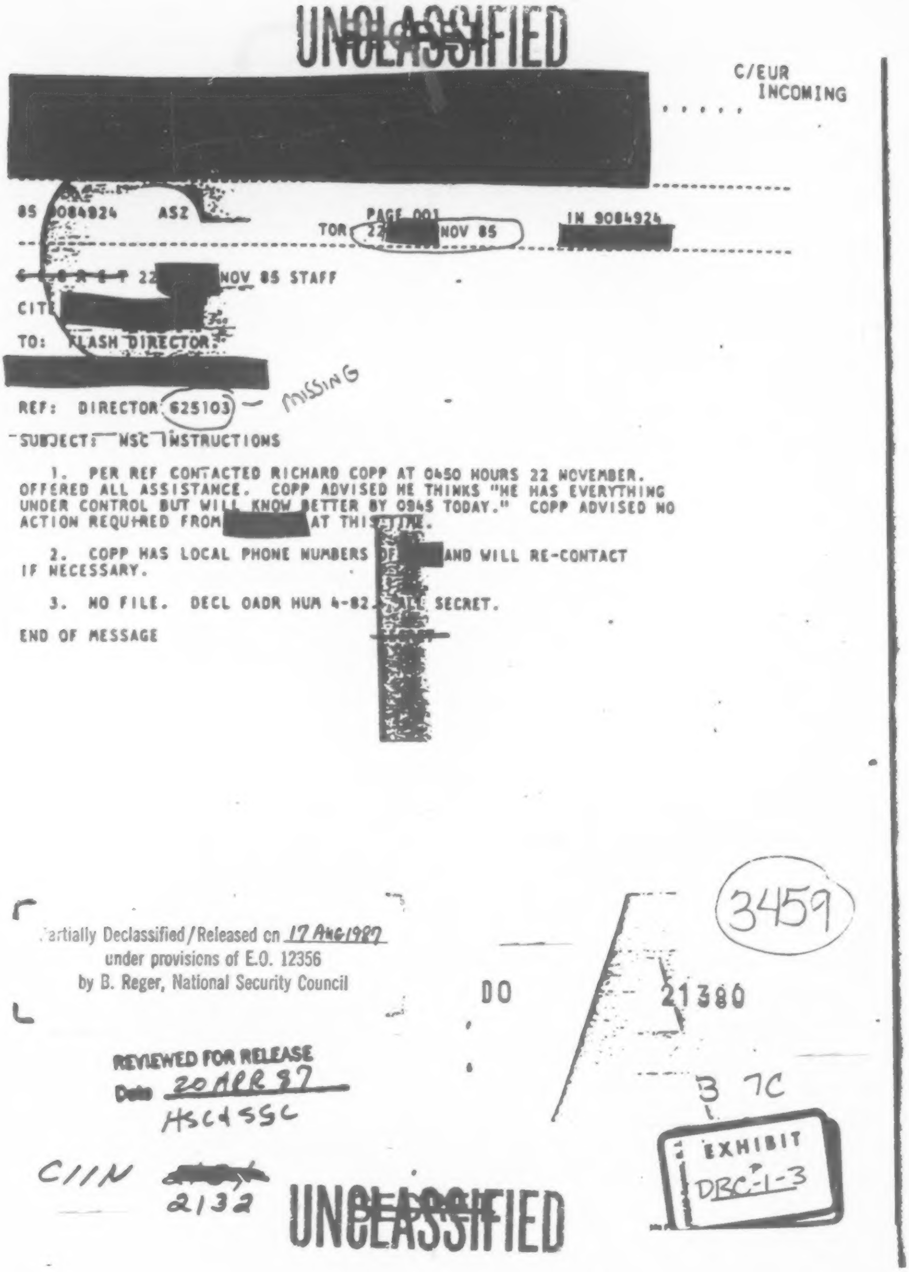
REVIEWED FOR RELEASE
Date 20 APR 87
HSC & SSC

C11N 2130

UNCLASSIFIED

EXHIBIT
DRC-1-2

## EXHIBIT DRC-1-3



UNCLASSIFIED

C/EUR
INCOMING

[redacted]

85 9084924 ASZ PAGE 001 IN 9084924 [redacted]
TOR 22 [redacted] NOV 85

~~SECRET~~ 22 [redacted] NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

REF: DIRECTOR 625103 — MISSING

SUBJECT: NSC INSTRUCTIONS

1. PER REF CONTACTED RICHARD COPP AT 0450 HOURS 22 NOVEMBER. OFFERED ALL ASSISTANCE. COPP ADVISED HE THINKS "HE HAS EVERYTHING UNDER CONTROL BUT WILL KNOW BETTER BY 0945 TODAY." COPP ADVISED NO ACTION REQUIRED FROM [redacted] AT THIS TIME.

2. COPP HAS LOCAL PHONE NUMBERS OF [redacted] AND WILL RE-CONTACT IF NECESSARY.

3. NO FILE. DECL OADR HUM 4-82. ALL SECRET.

END OF MESSAGE

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 21380

3459

REVIEWED FOR RELEASE
Date 20 APR 87
HSC + SSC

3 7C

C11N ~~[illegible]~~ 2132

UNCLASSIFIED

EXHIBIT
DRC-1-3

## Exhibit DRC-1-4

~~SECRET~~ UNCLASSIFIED

[redacted]

C/EUR
INCOMING

85 [redacted] ASZ [redacted] PAGE 001 IN 9088770 [redacted]
TOR: 22[redacted] NOV 85

S[redacted] T 22[redacted] NOV 85 STAFF

C[redacted]

TO: [redacted]

[redacted]

SUBJECT: NSC MISSION

REF DIRECTOR 625103

1. [redacted] CONTACTED COPP AGAIN AT 0900 HOURS 22 NOVEMBER. AT THAT TIME HE ONLY REQUIRED ASSISTANCE IN VERIFYING TELEPHONE NUMBERS OF PM AND FM. WE DID SO. HE STATED HE WAS ARRANGING TELEPHONE CALL FROM VERY SENIOR OFFIC[redacted] HE ASKED WE TAKE NO ACTION AT THAT TIME. AT 1250 HOURS [redacted] PHONED [redacted] WITH URGENT REQUEST FOR ASSISTANCE. HE A[redacted] MINISTER OF FOREIGN AFFAIRS HAD APPROVED EL-AL CHARTER [redacted] BUT HAD NOT SIGNED PAPER BEFORE GOING TO BRUSSELS. FOR[redacted] MINISTER RETURNED TO [redacted] BUT WAS OCCUPIED MORNING OF 2[redacted] MBER [redacted] HE NOTED [redacted] MFA, REFUSED TO ISSUE APP[redacted] PENDING MINISTER'S SIGNATURE. THIS PUT COPP IN BIND AS[redacted] FOR PLANE'S DEPARTURE WAS TWENTY-MINUTES AWAY AT [redacted] POINT. [redacted] POINTED OUT THAT IN THIS K[redacted] APPROACH CHARGE COULD ALSO EFFECTIVELY ASSIST. COPP[redacted] TING [redacted] RECOMMENDATION ON BEHALF OF CHARGE, S[redacted] HE WOULD PHONE WASHINGTON AND ASK THEM TO ALSO ENLIS[redacted] ARGE'S HELP. THIS WAS NECESSARY IN [redacted] VIEW BECAUSE THE MOMENT WE STARTING PUTTING OVERT PRESSURE ON PM OFFICE AND FM WE OPENED THE VERY REAL POSSIBILITY THAT THE DEMARCHE WOULD GET BACK TO THE AMBASSADOR CREATING A DELICATE POLITICAL PROBLEM.

2. [redacted]

3. [redacted]

4. [redacted] THEN PHONED COPP AND ADVISED HIM OF DEVELOPMENTS. HE REPORTED HE HAD TALKED WITH WASHINGTON AND OBTAINED THEIR

3460

EXHIBIT
DRC-1-4

[redacted] 81

3[redacted]C

REVIEWED FOR RELEASE
Date 20 APR 87
HSC&SSC

Partially Declassified/Released on 17 MAR 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

CIIN 2133

~~SECRET~~
UNCLASSIFIED

26
7

~~SECRET~~
UNCLASSIFIED

85 9088770 ASZ PAGE 002 IN 9088770
TOR: 22[redacted] NOV 85 [redacted]

AGR[illegible] THE CHARGE ALSO. [redacted]
[redacted] [illegible]ATED CHARGE NOT TO DEPART EMBASSY.
[illegible]ATELY, HE WAS IN HIS OFFICE AND AGREED TO STANDBY
[illegible] SHOULD BE ABLE TO ASSIST WITH HIS OVERT CONTACTS [redacted]
[redacted]
[illegible] COPP HAS JUST ADVISED [redacted] THAT PLANE HAS MISSED ITS
T[illegible] WINDOW BU[illegible]SION COMMANDER IS STILL STANDING BY.
C[illegible]ISED IT [illegible]SSIBLE PLANE WILL TAKE OFF WITHOUT THE
[redacted] WE WILL CONTINUE TO WORK ON THE
PRO[illegible]

6. FILE: NONE. DECL OADR DRV HUM 4-82.
END OF MESSAGE ~~SECRET~~

I

A

REVIEWED FOR RELEASE
Date 20 APR 87
HSC & SSC

C11N 2133

~~SECRET~~
UNCLASSIFIED

## Exhibit DRC-1-5

UNCLASSIFIED

C/EUR
OUTGOING

[redacted]

```
85 9089333    ASZ                   PAGE 001
                               TOT: 22[redacted]NOV 85       DIRECTOR 625792
```

~~S E C R E T~~
STAFF 22[redacted]DIRECTOR 625792
TO: FLA.[redacted]

SUBJECT: NSC MISSION

REF: [redacted]

1. IF CHARGE BECOMES INVOLVED IN THIS MATTER AND FEELS COMPELLED TO REPORT ANY ASPECTS TO[redacted] REQUEST THAT HE SEND HIS MESSAGES THROUGH[redacted] CHANNELS AND WE WILL ENSURE THAT THEY GET TO AMBASSADOR OAKLEY. HOPEFULLY[redacted] IT WILL NOT BE NECESSARY TO INVOLVE CHARGE IN ANY OVERT DEMARCHES.

2. NO FILE. DECL OADR DRV HUM 4-82.. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: ; REL: C/EUR (CLARRIDGE). CL BY[redacted]

END OF MESSAGE

~~SECRET~~

3461

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
By B. Reger, National Security Council

DO 21382

REVIEWED FOR RELEASE
Date 20 APR 87
HSC & SSC

3 7C

EXHIBIT
DRC-1-5

C11N 2135

UNCLASSIFIED

# EXHIBIT DRC-1-6

UNCLASSIFIED

C/EUR
OUTGOING

[redacted]

85 0090201 ASZ PAGE 001
TOT: 22[redacted]NOV 85 DIRECTOR 625908

~~S E C R E T~~
STAFF 22[redacted] DIRECTOR 625908
TO: FLASH [redacted]

[redacted]

SUBJECT: NSC MISSION

1. NSC HAS REQUESTED THAT YOU ASK CHARGE TO WEIGH IN WITH APPROPRIATE [redacted] OFFICIALS ON THIS MATTER. "PULL OUT ALL THE STOPS" AS AIRCRAFT IS ONE HOUR FROM ITS ABORT TIME.

2.. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: ; REL: C/EUR (CLARRIDGE). CL BY [redacted]

END OF MESSAGE

[redacted]

3462

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 21383

3 7C

REVIEWED FOR RELEASE
Date 20 APR 87
HSC & SSC

CIIN 2136

UNCLASSIFIED

EXHIBIT
DRC #1-6

283

# EXHIBIT DRC-1-7

UNCLASSIFIED

[redacted]

C/EUR
INCOMING

85 9090291A ASZ
CORRECTED COPY

PAGE 001
TOR: 22[redacted] NOV 85

IN 9090291A [redacted]

~~SECRET~~ 22[redacted]Z NOV-85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

REF: DIRECTOR 625792

1. AT [redacted] HOURS LOCAL COPP ADVISED THAT [redacted] MFA [redacted] ADVISED HIM THAT AFER FURTHER STUDY MFA IN PRINCIPLE OPPOSED CLEARANCE AND WOULD RECOMMEND SAME TO MINISTER. COPP ADVISES THAT AIRCRAFT IS AIRBORNE AND AT [redacted] HOURS LOCAL REACHES TURN AROUND POINT [redacted] MFA HAD REACHED NEGATIVE POSITION. [redacted] YESTERDAY [redacted] HAD TALKED WITH EMBASSY [redacted] ABOUT THE FLIGHT (SEE EMBTEL [redacted] WHICH [redacted] OBTAINED AFTER [redacted] AND [redacted] INDICATED THAT BASED ON INFORMATION AVAILABLE EMBASSY DID NOT CONCUR. [redacted] AT THE TIME [redacted] POSITION WAS CORRECT BUT IN THE MEANTIME ADDITIONAL INFORMATION HAD BECOME AVAILABLE. [redacted]

2. COPP CALLED BACK AGAIN WHILE I WAS WRITING THIS MESSAGE. I ADVISED HIM HIM OF ABOVE. HE CALLED WHITE HOUSE AND RECOMMENDED AUTHORIZATION FOR [redacted] TO PULL MINISTER OUT OF CABINET MEETING. HE SAID MACFARLANE WAS BEING PULLED OUT OF MEETING WITH POPE. HE SAID MY INSTRUCTIONS WERE TO PULL ALL STOPS. AT THIS POINT RECEIVED YOUR PHONE CALL. I ASKED [redacted] TO CALL FOREIGN MINISTER AND OBTAIN PERMISSION. HE I NOW DOING SO.

3. . FILE: NONE. DECL OADR DRV HUM 4-82.
** HFD COMMENT: CORRECTED FOR INCORRECT TIME PARA 1 LINE
END OF MESSAGE ~~SECRET~~

3463

Partially Declassified/Released on 17 AUG 1989
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 87
HSC & SSC

DO

21384

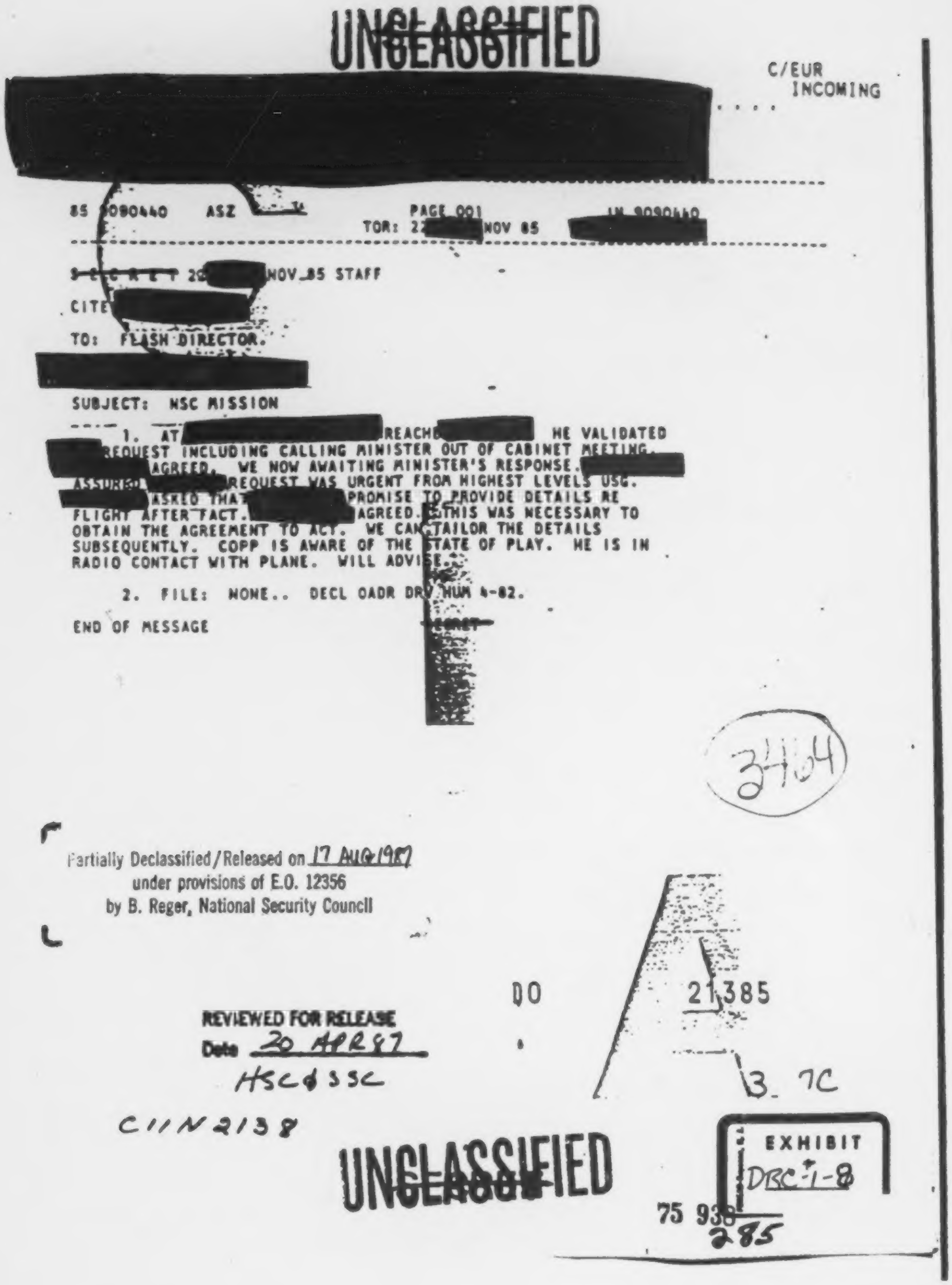
2-7C

EXHIBIT
DRC-#1-7

CIIN 2137

~~SECRET~~
UNCLASSIFIED

## Exhibit DRC-1-8



UNCLASSIFIED

C/EUR
INCOMING

[redacted]

85 9090440 ASZ PAGE 001 IN 9090440
TOR: 22 [redacted] NOV 85 [redacted]

~~S E C R E T~~ 22 [redacted] NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

1. AT [redacted] REACHED [redacted] HE VALIDATED [redacted] REQUEST INCLUDING CALLING MINISTER OUT OF CABINET MEETING. [redacted] AGREED. WE NOW AWAITING MINISTER'S RESPONSE. [redacted] ASSURED [redacted] REQUEST WAS URGENT FROM HIGHEST LEVELS USG. [redacted] ASKED THAT [redacted] PROMISE TO PROVIDE DETAILS RE FLIGHT AFTER FACT. [redacted] AGREED. THIS WAS NECESSARY TO OBTAIN THE AGREEMENT TO ACT. WE CAN TAILOR THE DETAILS SUBSEQUENTLY. COPP IS AWARE OF THE STATE OF PLAY. HE IS IN RADIO CONTACT WITH PLANE. WILL ADVISE.

2. FILE: NONE.. DECL OADR DRV HUM 4-82.

END OF MESSAGE

~~SECRET~~

3404

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 21385

REVIEWED FOR RELEASE
Date 20 APR 87
HSC & SSC

3. 7C

C11N2138

UNCLASSIFIED

EXHIBIT
DRC-1-8

75 938
285

## Exhibit DRC-1-9

UNCLASSIFIED

C/EUR
INCOMING

[redacted]

85 9091206 ASZ PAGE 001
TOR: 22[redacted]NOV 85 [redacted]

~~S E C R E T~~ 22[redacted]NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

1. IT IS NOW [redacted] LOCAL. CHARGE HAS PHONED FOREIGN MINISTRY SEVERAL TIMES DURING PAST FORTY MINUTES. [redacted] HAS BEEN SITTING ON HOLD ON THE TELEPHONE WAITING FOR FOREIGN MINISTER TO COME OUT OF CABINET MEETING AS REQUESTED. WE PROPOSED COMPROMISE SUGGESTED BY COPP. PLANE BE ALLOWED TO PROCEED TO [redacted] THEN IF [redacted] DECISION NEGATIVE IT WOULD RETURN TO BASE. [redacted] STATED HE HAD NO AUTHORITY TO AGREE TO PROPOSAL. COPP INFORMED. PLANE HAS DECIDED TO ABORT AND RETURN TO BASE. IF WORD RECEIVED IN NEXT FEW MINUTES, THEY MAY BE ABLE TO REVERSE ABORT. CHARGE HAS MADE URGENCY CLEAR TO [redacted] COPP [redacted] AND CHARGE STANDING BY BUT SITUATION APPEARS NEGATIVE AT THIS POINT. ASKED WHAT WILL HAPPEN NEXT, COPP STATES HE WILL AWAIT INSTRUCTIONS. HE HAS RECOMMENDED THAT STRONG DEMARCHE OF PROTEST BE MADE TO PRIME MINISTER.

2.. FILE: NONE. DECL OADR DRV HUM 4-82 .

END OF MESSAGE

3465

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 21386

3 7C

REVIEWED FOR RELEASE
Date 28 APR 1987

HSC & SSC

C11N 2139

UNCLASSIFIED

EXHIBIT
DRC-#1-9

75 938

286

## Exhibit DRC-1-10

UNCLASSIFIED

[redacted]

C/EUR
INCOMING

85 [illegible]092084 ASZ PAGE 001 IN 9092084
TOR: 22[redacted] NOV 85 [redacted]

SECRET 22[redacted] NOV 85 STAFF

CIT[redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

1. AS O[redacted] LOCAL FOREIGN MINISTER HAS NOT MADE DECISION. COPP ADVISES NSC IS CONSIDERING HOW TO RECYCLE MISSION. [redacted] ADVISES WHITE HOUSE HAS JUST REQUESTED PHONE NUMBER FOR FOREIGN MINISTER AND PRIME MINISTER AND HE PROVIDED SAME. OBVIOUSLY HIGHER LEVEL PRESSURE IS BEING PROVIDED. WHEN RESPONSE COMES FROM FOREIGN MINISTRY, IF IT IS POSITIVE AS IS HOPED, CHARGE WILL TELL THEM WE WILL PROCEED ON ASSUMPTION APPROVAL WILL APPLY TO ANOTHER FLIGHT TOMORROW OR SUNDAY.

2. CHARGE IS RESPONDING POSITIVELY TO VARIOUS REQUESTS AND ACTING AGGRESSIVELY. HE IS UNEASY HOWEVER THAT HE HAS RECEIVED NO INSTRUCTIONS FROM THE DEPARTMENT. [redacted] HAS RELAYED THIS CONCERN TO COPP AND HE IS WORKING TO OBTAIN SAME. IF HEADQUARTERS CAN OBTAIN BRIEF INSTRUCTIONS FROM DEPARTMENT TO CHARGE IN HIS CHANNELS IT WOULD BE HELPFUL. TO REPEAT HOWEVER, CHARGE IS DOING ALL THAT IS NECESSARY [illegible] HE IS MERELY UNEASY.

3. FILE: NONE. DECL OADR DRV HUM 4-82.

END OF MESSAGE ~~SECRET~~

3466

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

DO 21387

3 7C

C/IN 2140

UNCLASSIFIED

EXHIBIT
DRC-1-10

287 75 938

## Exhibit DRC–1–11

UNCLASSIFIED

C/EUR
OUTGOING

[redacted]

85 0092888 ASZ PAGE 001
TOT: 22[redacted] NOV 85 DIRECTOR 626226

~~S E C R E T~~
STAFF 22[redacted] DIRECTOR 626226
TO: FLASH [redacted]

[redacted]

SUBJECT: NSC MISSION

REF: [redacted]

1. PER INSTRUCTIONS FROM DEPUTY ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS ADMIRAL POINDEXTER, [redacted] IS REQUESTED TO ADVISE CHARGE THAT ONLY SECSTATE AND AMBASSADOR OAKLEY ARE AWARE OF THIS OPERATION. ADMIRAL POINDEXTER IS MOST APPRECIATIVE OF THE SPLENDID EFFORTS THAT THE CHARGE IS MAKING TO ACCOMPLISH THIS MISSION AND REITERATES THAT ANY MESSAGES THAT THE CHARGE WISHES TO SEND TO [redacted] SHOULD BE IN [redacted] CHANNELS.

2. WE ARE ATTEMPTING TO PUT TOGETHER ANOTHER SPECIAL FLIGHT FOR 23 OR 24 NOVEMBER, AND THUS YOUR UNDERSTANDING WE STILL WANT [redacted] APPROVAL IS CORRECT.

3. MCFARLAND IS STILL TRYING TO TELEPHONE FOREIGN MINISTER. PLEASE ENSURE THAT APPROPRIATE [redacted] AUTHORITIES UNDERSTAND WHO MCFARLAND IS AND WHO HE REPRESENTS.

4. NO FILE. DECL OADR DRV H[illegible]82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: ; REL: C/EUR (CLARRIDGE). CL BY [redacted]

END OF MESSAGE ~~SECRET~~

3467

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 21388

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

3. 7C

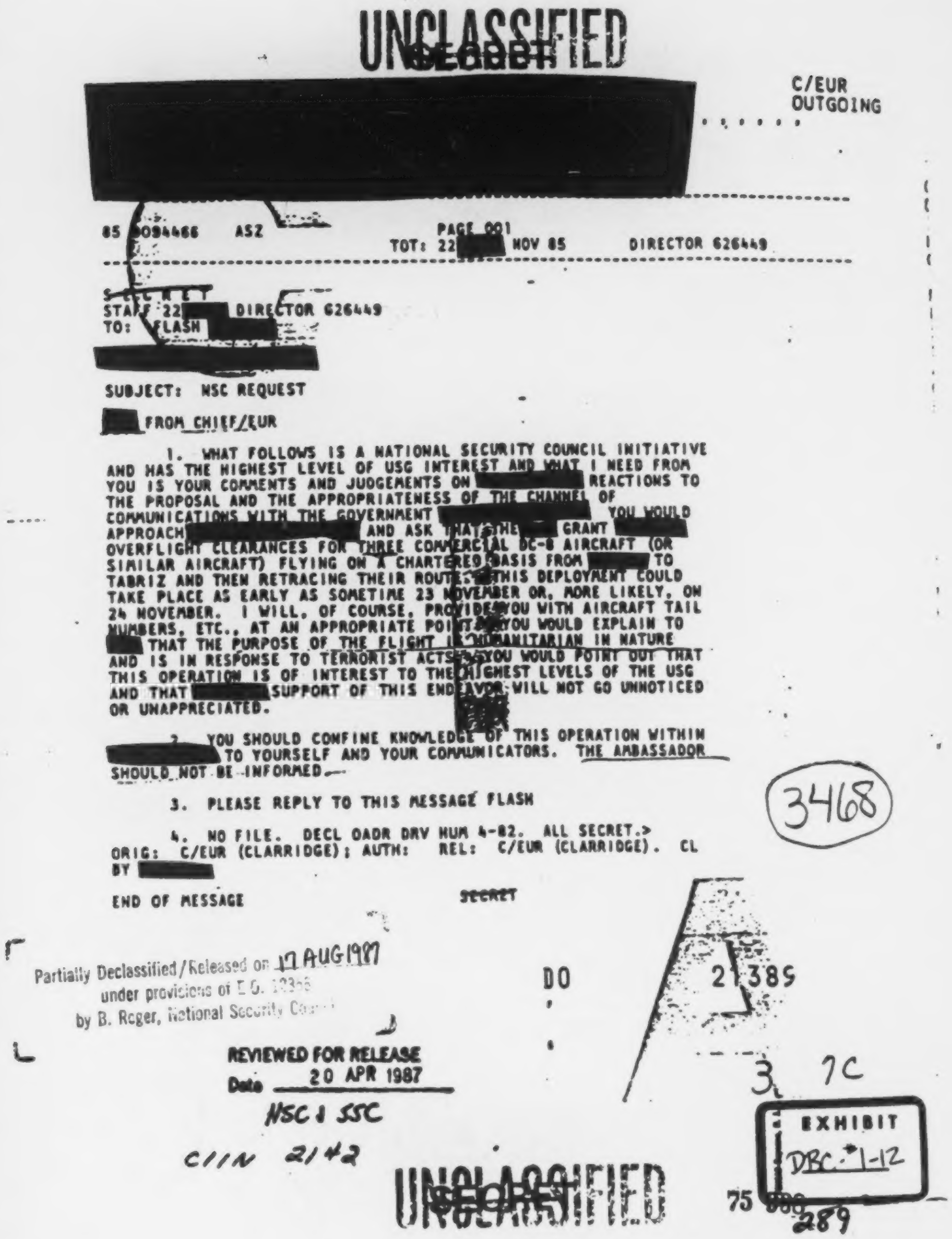
CIIN 21141

UNCLASSIFIED

EXHIBIT
DRC-#1-11

288

## EXHIBIT DRC-1-12



UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 0094466 ASZ PAGE 001
TOT: 22[redacted] NOV 85 DIRECTOR 626449

SECRET
STAFF 22[redacted] DIRECTOR 626449
TO: FLASH [redacted]

[redacted]

SUBJECT: NSC REQUEST

[redacted] FROM CHIEF/EUR

1. WHAT FOLLOWS IS A NATIONAL SECURITY COUNCIL INITIATIVE AND HAS THE HIGHEST LEVEL OF USG INTEREST AND WHAT I NEED FROM YOU IS YOUR COMMENTS AND JUDGEMENTS ON [redacted] REACTIONS TO THE PROPOSAL AND THE APPROPRIATENESS OF THE CHANNEL OF COMMUNICATIONS WITH THE GOVERNMENT [redacted] YOU WOULD APPROACH [redacted] AND ASK THAT THE [redacted] GRANT [redacted] OVERFLIGHT CLEARANCES FOR THREE COMMERCIAL DC-8 AIRCRAFT (OR SIMILAR AIRCRAFT) FLYING ON A CHARTERED BASIS FROM [redacted] TO TABRIZ AND THEN RETRACING THEIR ROUTE. THIS DEPLOYMENT COULD TAKE PLACE AS EARLY AS SOMETIME 23 NOVEMBER OR, MORE LIKELY, ON 24 NOVEMBER. I WILL, OF COURSE, PROVIDE YOU WITH AIRCRAFT TAIL NUMBERS, ETC., AT AN APPROPRIATE POINT. YOU WOULD EXPLAIN TO [redacted] THAT THE PURPOSE OF THE FLIGHT IS HUMANITARIAN IN NATURE AND IS IN RESPONSE TO TERRORIST ACTS. YOU WOULD POINT OUT THAT THIS OPERATION IS OF INTEREST TO THE HIGHEST LEVELS OF THE USG AND THAT [redacted] SUPPORT OF THIS ENDEAVOR WILL NOT GO UNNOTICED OR UNAPPRECIATED.

2. YOU SHOULD CONFINE KNOWLEDGE OF THIS OPERATION WITHIN [redacted] TO YOURSELF AND YOUR COMMUNICATORS. THE AMBASSADOR SHOULD NOT BE INFORMED.

3. PLEASE REPLY TO THIS MESSAGE FLASH

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: REL: C/EUR (CLARRIDGE). CL BY [redacted]

END OF MESSAGE SECRET

3468

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO

21389

REVIEWED FOR RELEASE
Date 20 APR 1987

NSC & SSC

3. 7C

CIIN 2142

EXHIBIT
DRC-1-12

UNCLASSIFIED

~~SECRET~~

75 889
289

## Exhibit DRC-1-13

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
OUTGOING

```
85 094823    ASZ                     PAGE 001
                         TOT: 2[redacted]NOV 85       DIRECTOR 626552
```

~~SECRET~~
STAFF 2[redacted]DIRECTOR 626552
TO: FLASH[redacted]

SUBJECT: NSC MISSION

1. NSA REQUESTS THAT YOU ASK CHARGE TO CONTACT [redacted] SOONEST AND STATE:

"I UNDERSTAND THAT THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS ROBERT C. MCFARLAND HAS JUST TALKED TO YOUR FOREIGN MINISTER. THE FOREIGN MINISTER HAS AGREED TO ALLOW THE AIRCRAFT MOVEMENT TO TAKE PLACE. WE, THEREFORE, UNDERSTAND THAT NO DIPLOMATIC NOTE IS REQUIRED. I CAN ASSURE YOU THAT THE GOVERNMENT OF THE UNITED STATES IS MOST GRATEFUL FOR THIS HUMANITARIAN ACT AND WE APPRECIATE YOUR DISCRETION IN THIS MATTER."

2.. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: ; REL: C/EUR (CLARRIDGE). CL BY[redacted]

END OF MESSAGE

~~SECRET~~

3469

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC + SSC

DO

21390

3 7C

EXHIBIT
DRC-1-13

CIIN 2143

UNCLASSIFIED
~~SECRET~~

290

## EXHIBIT DRC-1-14

UNCLASSIFIED

C/EUR
ACTION

[redacted]

85 9095950 ASZ PAGE 001 IN 9095950
TOR: 23[redacted]NOV 85 [redacted]

~~SECRET~~ 22[redacted]NOV 85 STAFF

CITE[redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION ?

REF: DIRECTOR 626226

1. COPP ADVISES NSC IS WORKING ON THREE POSSIBLE SCENARIOS: A) REPEAT TODAY'S EFFORT TOMORROW; B) USE THREE SMALLER BIRDS FROM ORIGINATING POINT TO[redacted] TO DESTINATION; C) NOT INVOLVE[redacted]FURTHER IN PLANS. THE DECISION WILL BE MADE SOON.

2. [redacted]FOREIGN MINISTRY PHONED CHARGE 2200 HOURS LOCAL TO ADVISE MEETING HAD CONCLUDED WITHOUT GIVING APPROVAL FOR FLIGHT. [redacted]SAID THE EMBASSY MUST SEND FORMAL DIPLOMATIC NOTE TO FOREIGN MINISTRY. NOTE MUST CONTAIN CHARACTERISTICS OF AIRCRAFT, ROUTES TO AND FROM[redacted]AND CARGO. UPON RECEIPT OF NOTE FM WILL CONSIDER REQUEST. CHARGE ASKED IF[redacted]WOULD BE IN MINISTRY TOMORROW. [redacted]ASKED WHEN CHARGE COULD HAVE NOTE PREPARED. CHARGE STATED HE COULD HAVE NOTE AT FM BY 1100 HOURS 23 NOVEMBER. [redacted]SAID HE WOULD BE THERE WAITING. CHARGE ASKED IF WE HAVE NOTE BY 1100 HOURS AT FM COULD WE ANTICIPATE APPROVAL THAT WOULD PERMIT A 1720 HOURS ARRIVAL TIME AS PROJECTED FOR TODAY. [redacted] REPLIED HE COULD NOT MAKE THAT COMMITMENT.

3. [redacted]COMMENT: BASED ON TODAYS PERFORMANCE, WE CANNOT GUARANTEE THE[redacted]RESPONSE. HOWEVER, IT WOULD APPEAR THAT IF WE MEET THE[redacted]~~DEMAND FOR~~ FORM THEY WILL RESPOND POSITIVELY IN SUBSTANCE. [redacted] ALL INDICATIONS ARE THAT[redacted]WILL REMAIN A LOYAL ALLY. WE CAN ANTICIPATE HOWEVER FURTHER DISPLAYS OF INDEPENDENCE AS THIS EPISODE REFLECTED.

4. COPP HAS BEEN INFORMED OF THE[redacted]RESPONSE. HE PLANS TO ALLOW TIME FOR THIS CABLE TO REACH HEADQUARTERS AND NSC THEN PHONE TO DISCUSS FURTHER OPTIONS. [redacted]COPP AND CHARGE ARE CLOSELY COORDINATING ALL ACTION THIS END. [redacted]WILL SPEND NIGHT IN[redacted]SO DO NOT HESITATE TO SEND FURTHER INSTRUCTIONS.

5. CHARGE ASSURES[redacted]ARE FULLY AWARE OF WHO MCFARLAND IS AND WHAT HE REPRESENTS.

6. FILE: NONE. DECL OADR DRV HUM 4-82.
END OF MESSAGE ~~SECRET~~

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3470

EXHIBIT
DRC-#1-14

3 7C

DO 21391 291

REVIEWED FOR RELEASE
Date 20 APR 1987

C1IN 2144 HSC & SSC

UNCLASSIFIED

## Exhibit DRC-1-15

UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
INCOMING

85 [illegible]096061 ASZ PAGE 001 IN [illegible]96061
TOR: 23[redacted]NOV 85 [redacted]

~~S E C R E T~~ 23[redacted]NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

REF: DIRECTOR 626552

1. REF MESSAGE RELAYED TO CHARGE. HE ATTEMPTED TO CONTACT [redacted] INFORM HIM OF REF MESSAGE. HE WAS NOT SUCCESSFUL BUT WILL [illegible] SO AT OO[redacted] TIME. WILL ADVISE. MEANWHILE, [illegible] WAS AWARE OF DEVELOPMENT HAS COMMENCED TO WIRE TOGETHER NEW PLAN. [illegible] ADVISES HE MAY HAVE SOMETHING TO REPORT LATER THIS NIGHT.

2. FYI. I JUST LEARNED MY MOST RECENT MESSAGE WAS DELAYED OVER AN HOUR BY LOCAL EQUIPMENT FAILURE WHICH HAS BEEN CORRECTED. HENCE IT JUST CROSSED WITH REF.

3. FILE: NO FILE DECL OADR DRV HUM [illegible].

END OF MESSAGE

3471

Partially Declassified/Released on 17 [illegible] 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC-#1-15

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC + SSC

3 7C

CIIN 2145

DO 21392

292

UNCLASSIFIED

~~SECRET~~

## EXHIBIT DRC-1-16

UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
OUTGOING

```
85 [illegible]097210    ASZ                PAGE 001
                          TOT: 2[redacted]NOV 85      DIRECTOR 626939
----------------------------------------------------------------------

S E C R E T
STAFF 23[redacted]DIRECTOR 626939
TO: FLASH[redacted]
[redacted]
SUBJECT:  NSC REQUEST
[redacted]FROM CHIEF/EUR
REF: DIRECTOR 626449

  I AM NOT ASKING FOR ACTION YET ON REF, BUT
I WOULD APPRECIATE YOUR THOUGHTS BY FLASH PRECEDENCE.
NO FILE.  DECL:  OADR DRV HUM 4-82 ALL SECRET.>
ORIG/REL: C/EUR(CLARRIDGE).
>
    NNNN
END OF MESSAGE
```

Partially Declassified/Released on 17AUG1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3472

EXHIBIT
DRC-1-16

REVIEWED FOR RELEASE
Date 20 APR 1987

NSC + SSC

DO

21393

3 7C

293

CIIN 2146

UNCLASSIFIED

~~SECRET~~

## EXHIBIT DRC-1-17

UNCLASSIFIED
~~SECRET~~

[redacted] C/EUR
INCOMING

85 9097801 ASZ PAGE 001 [redacted]
TOR: 2[redacted] NOV 85

~~S E C R E T~~ 23[redacted] NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC REQUEST

REF: DIRECTOR 626449

CHIEF/EUR FROM [redacted]

1. [redacted] WILL PROBABLY NEED SOMEWHAT MORE INFO REGARDING INVOLVEMENT OF OTHER PARTIES AND TERRORIST ACTS REFERRED TO.

2. USING [redacted] AS A CHANNEL WILL BEST LIMIT THE SCOPE OF CONTACT WITH [redacted] IN TERMS OF POSSIBLE LEAKAGE OF THE U.S. REQUEST.

3. NO FILE.
DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE

(3473)

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 2_ APR 1987
HSC & SSC

.DO

2 394

3 7C

EXHIBIT
DRC-1-17

CIIN 2147

UNCLASSIFIED
~~SECRET~~

75 938
294

## Exhibit DRC-1-18

UNCLASSIFIED ~~SECRET~~

[redacted]

C/EUR
ACTION
...

85 8100473A ASZ PAGE 001 IN 8100473A
CORRECTED COPY TOR: 23[redacted] NOV 85 [redacted]

~~S E C R E T~~ 23[redacted] NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: REQUEST FOR ASSISTANCE

1. COPP CALLED STATION TO REQUEST WE FORWARD FOLLOWING:
WE HAVE DC-8 [redacted] OVERFLIGHT CLEARANCE
[redacted] HAS BEEN REQUESTED BUT NO RESPONSE RECEIVED AS YET.
REQUEST YOUR ASSISTANCE URGENTLY

IF WE HAVE NO FURTHER PROBLEMS, ANTICIPATE THIS
AIRCRAFT WILL DEPART [redacted] CIRCA [redacted] TODAY.

2. FILE: DEFER. DECL OADR DRV HUM 4-82.

WASH S/C NOTE: MSGNBR IS DUPE WITH 8080808, BEING SERVICED.
HFD COMMENT: CHANGED CITE NUMBER PER SVC 8100473.

END OF MESSAGE

~~SECRET~~

3474

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO

21395

REVIEWED FOR RELEASE
Date 20 APR 87
HSC & SSC

3 7C

EXHIBIT
DRC-1-18

CIIN 2134

UNCLASSIFIED ~~SECRET~~

75 938
295

## Exhibit DRC-1-19

UNCLASSIFIED

[redacted]

C/EUR

[redacted] COPY PAGE 001 TOR: 23[redacted]NOV 85 IN 9100880A [redacted]

[redacted]T 23[redacted]NOV 85 STAFF

TO [redacted]

SUBJECT: NSC MISSION

1. FOLLOWING IS SITREP ON NSC MISSION AS OF 1230 HOURS 23 NOVEMBER.

2. CHARGE CONTACTED [redacted] MFA. HE CONVEYED MESSAGE CONTAINED IN DIRECTOR 626552. [redacted] WAS NOT A[redacted]MCFARLANE/FM CONVERSATION. HE OPINED A DIPLOMAT[redacted]WILL STILL BE REQUIRED BUT PROMISED TO CHECK WIT[redacted]TER. [redacted] CHARGE AND COPP COLABORATED ON DIPLOMATIC [redacted] BE USED IF ABSOLUATELY NECESSARY. AT 1130 HOU[redacted]GE WENT TO MFA AND MET WITH [redacted] AND [redacted] THEY STA[redacted]Y NEEDED NOTED BECAUSE NOTE WOULD CONFIRM THAT USG[redacted]ALLY INVOLVED AS THEY HAD HAD DOUBTS. CHARGE PRESENTED NO[redacted] THEY AGREED TO MEET AND ADVISE DECISION SOONEST.

3. COPP BRIEFED [redacted] ON CURRE[redacted] WHICH INVOLVES THREE FLIGHTS BY TWO PLANES TO [redacted] 4 NOVEMBER. COPP INDICATED HE WAS HAVING TROUBLE ARRA[redacted] TRANSSHIPMENT OF CARGO TO DESTINATION BY OTHER PLANES[redacted] STATED [redacted] INDICATED HE COULD NOT A[redacted] PLANES AND CREW WITHIN 48 HOURS. COPP ASKED CHARGE TO INTERVENE OFFICIALLY WITH [redacted] CHARGE COULD NOT REACH [redacted] AND COULD NOT IDENTIFY ANY EMBASSY OFFICER THAT KNOWS HIM.

[redacted]

3. [redacted] MET WITH COPP IN BRIEF CAR MEETING AT 1130 HOURS TO COORDINATE ACTION AND BRIEF EACH OTHER.

4. [redacted]

[redacted] COMMENT: [redacted] IS SERVING AS COPP'S RIGHT ARM IN ATTEMPTING TO ARRANGE THE CURRENT TRANSFER. HE USES [redacted] OFFICE AS HIS BASE. [redacted] HAS NOT BEEN ABLE TO CONVEY SECURELY [redacted] INFORMATION TO COPP AT THIS TIME.

UNCLASSIFIED

3475

21397

7C

EXHIBIT
DRC #1-19

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC

C11N 3149

296

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

~~22~~ 43

~~SECRET~~
UNCLASSIFIED

85 9100880A [redacted] PAGE 002 IN 9100880A
CORRECTED [redacted] TOR: 23[redacted]NOV 85 [redacted]

[redacted]

5. [redacted] CALL FORMALLY ON FM AND SUBMIT FORMAL REQUEST IN WRITING. THE NOTE SHOULD INCLUDE ORIGIN AND DESTINATION OF FLIGHT, EQUIPMENT, US COMMITMENT THAT OPERATION NOT BE MADE PUBLIC AND AIRPORTS OTHER THAN [redacted] BUT IN [redacted] BE USED. THE CHARGE SHOULD SEND NOTE APOLOGIZING FOR APPROACH THAT WAS USED. [redacted] THEY AT FIRST THOUGHT THIS WAS A PENTAGON OPERATION [redacted]

6. [redacted]

7. FILE: N. DECL OADR DRV HUM 4-8[redacted]

WASH S/C NOTE: DUPE MSGNBR WITH 9090[redacted]ING SERVICED
HFD COMMENT: CHANGED CITE NUMBER PERE[redacted]00880.
END OF MESSAGE SE[redacted]

DO

A

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

297

C11N 2149

~~SECRET~~
UNCLASSIFIED

Document

Exhibit DRC #1-20

Deleted in its Entirety

(3476)

## Exhibit DRC-1-21

~~SECRET~~

[redacted]

C/EUR
INCOMING

85 9101266 ASZ[redacted] PAGE 001
TOR: 23[redacted]NOV 85 IN 9101266
[redacted]

~~S E C R E T~~ 23[redacted]NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

1. AT CIRCA [redacted] HOURS [redacted] CALLED CHARGE. HE NOTED FM HAS COPY OF NOTE AND HAS TAKEN IT TO MEETING WITH PM. [redacted] EXPECTS DECISION WITHIN THREE HOURS. CHARGE NOTED AIRCRAFT WERE IN THE AIR. [redacted] SAID HE COULD DO NOTHING [redacted] INFORMED COPP OF RESPONSE. COPP IS UNDER PRESSURE BECAUSE DCB HE HAS FOUND FOR CHARTER INSISTS ON CLEARANCE IMMEDIATELY OR HE WILL CANCEL. COPP ADVISED HE JUST LEARNED MCFARLANE WOULD TELEPHONE PM IMMEDIATELY, NOTING MCFARLANE FEEL[redacted] ARE [redacted] MCFARLANE PHONE CALL WILL UNDOUBTEDLY GREATLY AGITATE [redacted] BUT IT APPEARS ONLY WAY TO SHAKE DECISION LOOSE SOON.

2. FILE: NONE. DECL OADR DRV HUM 4-82.

WASH S/C NOTE: DUPE MSGNBR WITH 90[redacted]51 BEING SERVICED

END OF MESSAGE

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3477

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC + SSC

DO

A 2 399

3 x

C11N 2152

EXHIBIT
DRC #1-21

~~SECRET~~
UNCLASSIFIED

75 938
299

## EXHIBIT DRC-1-22

UN~~SECRET~~CLASSIFIED

C/EUR
INCOMING

[redacted]

85 9101266A ASZ PAGE 001 IN 9101266A
CORRECTED COPY TOR: 23[redacted] NOV 85 [redacted]

S E C R E T 23[redacted] NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

1. AT CIRCA [redacted] HOURS [redacted] CALLED CHARGE. HE NOTED FM HAS COPY OF NOTE AND HAS TAKEN IT TO MEETING WITH PM. [redacted] EXPECTS DECISION WITHIN THREE HOURS. CHARGE NOTED AIRCRAFT WERE IN THE AIR. [redacted] SAID HE COULD DO NOTHING. [redacted] INFORMED COPP OF RESPONSE. [redacted] IS UNDER PRESSURE BECAUSE DC8 HE HAS FOUND FOR CHARTER INSISTS ON CLEARANCE IMMEDIATELY OR HE WILL CANCEL. [redacted] ADVISED HE JUST LEARNED MCFARLANE WOULD TELEPHONE [illegible] IMMEDIATELY, NOTING MCFARLANE FEELS [redacted]. MCFARLANE PHONE CALL WILL UNDOUBTEDLY GREATLY AGITATE [redacted] BUT IT APPEARS ONLY WAY TO SHAKE DECISION LOOSE SOON.

2. FILE: NONE. DECL OADR DRV HUM 4-82.

WASH S/C NOTE: DUPE MSGNBR WITH 9090951, BEING SERVICED
HFD COMMENT: CHANGED CITE NUMBER PER SVC 9101266.

END OF MESSAGE

3478

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

C/IN 2153 DO 21401

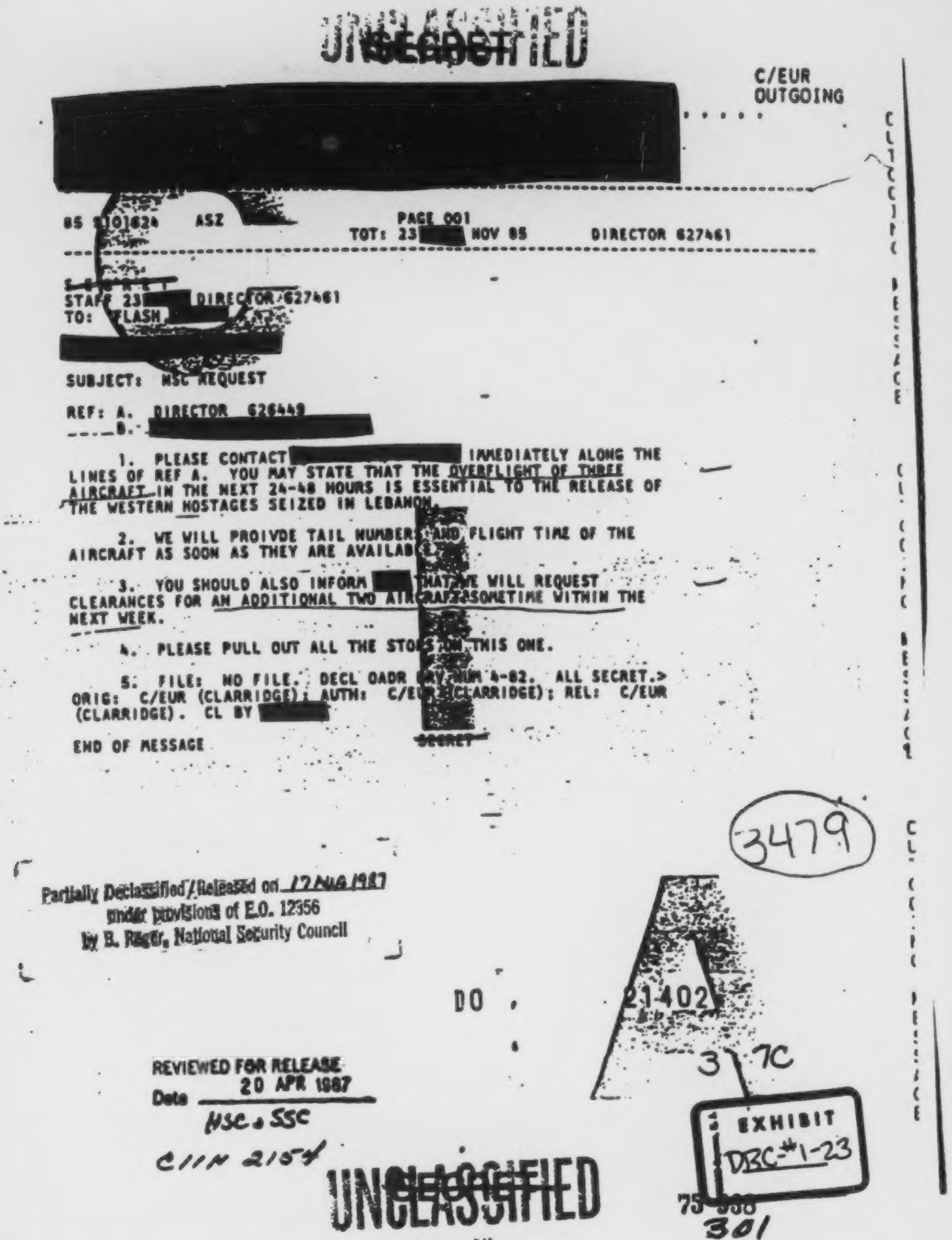
3-7C

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

EXHIBIT
DRC-#1-22

UN~~SECRET~~CLASSIFIED

## EXHIBIT DRC-1-23



~~SECRET~~ UNCLASSIFIED

C/EUR
OUTGOING

[redacted]

85 [illegible]101624 ASZ PAGE 001
TOT: 23[redacted] NOV 85 DIRECTOR 627461

~~S E C R E T~~
STAFF 23[redacted] DIRECTOR 627461
TO: FLASH [redacted]
[redacted]

SUBJECT: NSC REQUEST

REF: A. DIRECTOR 626449
B. [redacted]

1. PLEASE CONTACT [redacted] IMMEDIATELY ALONG THE LINES OF REF A. YOU MAY STATE THAT THE OVERFLIGHT OF THREE AIRCRAFT IN THE NEXT 24-48 HOURS IS ESSENTIAL TO THE RELEASE OF THE WESTERN HOSTAGES SEIZED IN LEBANON.

2. WE WILL PROIVDE TAIL NUMBERS AND FLIGHT TIME OF THE AIRCRAFT AS SOON AS THEY ARE AVAILABLE.

3. YOU SHOULD ALSO INFORM [redacted] THAT WE WILL REQUEST CLEARANCES FOR AN ADDITIONAL TWO AIRCRAFT SOMETIME WITHIN THE NEXT WEEK.

4. PLEASE PULL OUT ALL THE STOPS ON THIS ONE.

5. FILE: NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY [redacted]

END OF MESSAGE

~~SECRET~~

3479

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO

21402

3 7C

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

C11N 2154

EXHIBIT
DRC-#1-23

~~SECRET~~ UNCLASSIFIED

75 338
301

## EXHIBIT DRC-1-24

UNCLASSIFIED ~~SECRET~~

[redacted]

C/EUR
INCOMING

85 9101881A ASZ PAGE 001 IN 9101981A
CORRECTED COPY TOR: 23[redacted]NOV 85 [redacted]

~~S E C R E T~~ 23[redacted]NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

1. COPP ASKED [redacted] AT [redacted] HOURS LOCAL TO FORWARD THE FOLLOWING MESSAGE TO WASHINGTON: "GOT AIRCRAFT NUMBER [redacted] (A BOEING 707) OF [redacted] UNLOADING. IT WILL BE PREPARED FOR DEPARTURE ON/BEFORE [redacted] HAVE ISSUED INSTRUCTIONS TO HOLD ON GROUND UNTIL [redacted] GRANTS PERMISSION."

2. [redacted] COMMENT: AS OF [redacted] HOURS LOCAL FOREIGN MINISTRY HAS NOT RESPONDED TO EMBASS[redacted] DIPLOMATIC NOTE.

3. FILE: NONE. DECL OADR DRV H[redacted]-82.

WASH S/C NOTE: DUPE MSGNBR WITH 909[redacted]98 BEING SERVICED
HFD COMMENT: CHANGED CITE NUMBER PER [redacted]910181.

END OF MESSAGE

3480

Partially Declassified/Released on 17AUG1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 21503
3 7C

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC + SSC

C11N 2155 UNCLASSIFIED ~~SECRET~~ 302

EXHIBIT
DRC-#1-24

Document

Exhibit DRC 1-25

Deleted in its

Entirety ③⁴⁸¹

## EXHIBIT DRC-1-26

UNCLASSIFIED
~~SECRET~~

C/EUR
OUTGOING

[redacted]

85 02184 ASZ PAGE 001
TOT: 23[redacted]NOV 85 DIRECTOR 627576

S E C R E T
STAFF 23[redacted]DIRECTOR 627576
TO: FLASH[redacted]
[redacted]

SUBJECT: NSC REQUEST

1. WE HAVE UNDERWAY IN THE NEXT 24-48 HOURS AN OPERATION AIMED AT THE RELEASE OF THE WESTERN HOSTAGES SEIZED IN LEBANON. THE OPERATION INVOLVES THE MOVEMENT OF AIRCRAFT FROM ISRAEL TO IRAN AND REQUIRES AN ENROUTE STOP[redacted]WHICH WILL EASE PROBLEMS FOR OVERFLIGHT[redacted]A STOPOVER AT A MILITARY OR COMMERCIAL AIRFIELD[redacted]IN ORDER TO FILE FLIGHT PLAN FOR TABRIZ AND TO REFUEL WOULD GREATLY FACILITATE THIS EFFORT.

2. A TOTAL OF FIVE SORTIES ARE REQUIRED FOR THIS OPERATION. HOWEVER, IF[redacted]COULD AGREE TO ONE OF THESE OCCURRING IN THE NEXT 12 HOURS OR SO IT WOULD ALLOW US TO SHOW OUR GOOD FAITH TO THE PARTY INVOLVED AND LIKELY RESULT IN THE RELEASE OF THE HOSTAGES. WE COULD THEN ENDEAVOR TO ACCOMPLISH THE OTHER FOUR SORTIES THROUGH OTHER MEANS IF [redacted] WERE UNWILLING TO ASSIST US FURTHER.

3. THE AIRCRAFT INVOLVED IS A COMMERCIAL BOEING 707 CARGO AIRCRAFT REGISTRY NUMBER[redacted]OWNED BY[redacted] IF [redacted]ARE AGREEABLE, I WILL PROVIDE YOU WITH FLIGHT TIMES.

4. WILL YOU PLEASE GO TO [redacted] ON THIS IMMEDIATELY. YOU CAN DRAW ON ANY OF THE ABOVE IN MAKING YOUR PRESENTATION TO HIM. I WOULD ASK HOWEVER THAT YOU IMPRESS UPON HIM THAT WE NEED ABSOLUTE DISCRETION IN THE MATTER. YOU CAN ALSO ASSURE HIM THAT THIS OPERATION IS OF GREAT INTEREST TO THE HIGHEST LEVELS OF THE USG AND IF IT WILL HELP I CAN ARRANGE FOR BUD MACFARLAND TO CALL WHOMEVER[redacted]MIGHT SUGGEST. NEEDLESS TO SAY, THAT IF [redacted] ASSIST US THEY CAN EXPECT TO RECEIVE MENTION IN DISPATCHES, APPROPRIATE LETTERS OF APPRECIATION FROM OUR PRESIDENT, ETC. AGAIN, I MUST STRESS THAT DISCRETION IS THE KEY ELEMENT WHICH YOU SHOULD STRESS TO [redacted] IN PRESENTING THIS MATTER. I WOULD ALSO ASK THAT YOU KEEP KNOWLEDGE OF THIS OPERATION LIMITED TO YOURSELF WITHIN [redacted] AND THE AMBASSADOR NEED NOT REPEAT NOT BE INFORMED. HOWEVER, IF [redacted] NEEDS TO BOUNCE THIS PROPOSAL OFF THE PRIME MINISTER OR SOMEONE SIMILAR WHO MIGHT BRING IT TO THE AMBASSADOR'S ATTENTION, I WILL SEEK SPECIAL AUTHORIZATION FOR YOU TO BRIEF HIM. BEST REGARDS AND WHY DO THESE ALWAYS HAPPEN ON THE WEEKEND.

5. FILE: NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY [redacted]
END OF MESSAGE

SECRET

3482

EXHIBIT
DRC-#1-26

3 7C

21404

REVIEWED FOR RELEASE
Date 20 APR 1987

UNCLASSIFIED
~~SECRET~~

304

Partially Declassified/Released on 27 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

## EXHIBIT DRC-1-27

~~SECRET~~ UNCLASSIFIED

C/EUR
INCOMING

[redacted]

85 9102427 ASZ PAGE 001 IN 9102427
TOR: 23[redacted]NOV 85 [redacted]

~~S E C R E T~~ 23[redacted] NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

1. AT 1800 LOCAL [redacted] INFORMED CHARGE THAT DECISION HAD BEEN REACHED BUT BEFORE IT COULD BE CONVEYED MFA REQUIRED SECOND NOTE. NOTE MUST CONTAIN TWO STATEMENTS: A) THE OPERATION HAD BEEN UNDERTAKEN FOR HUMANITARIAN REASONS; B) THE OPERATION IS BEING UNDERTAKEN TO FREE AMERICAN HOSTAGES. [redacted] STATED IT IS NOT NECESSARY TO SAY WHERE. IF NOTE DELIVERED IMMEDIATELY, DECISION WILL BE ISSUED FORTHWITH BUT CHARGE MUST DELIVER THE NOTE. CHARGE EN ROUTE TO EMBASSY AND WE CAN HAVE NOTE READY IN ABOUT FORTY MINUTES. COPP LIKE [redacted] CHARGE FINDS NO DIFFICULTY WITH FIRST STATEMENT ON HUMANITARIAN REASONS. REFERENCE TO AMERICAN HOSTAGES IS OBVIOUS HANGING POINT. COPP DEFERRED TO WASHINGTON FOR DECISION. WE HEREBY REQUEST WASHINGTON VIEWS THIS CHANNEL IMMEDIATELY. FYI: MACFARLANE HAS BEEN TRYING TO REACH PM AND OR FM FOR TWO HOURS. COPP ADVISES HE UNABLE TO GET THROUGH. CHARGE ASKED [redacted] WHY. HE ANSWERED NO DECISION HAS BEEN MADE. CHARGE NOTED MACFARLANE WANTS TO PARTICIPATE IN DECISION MAKING. HE ASKED IF PHONE FOR EITHER OR IMMEDIATE WHEREABOUTS AVAILABLE FOR IMMEDIATE CONTACT. ANSWER WAS PM NOT AVAILABLE. FOREIGN MINISTER WILL TALK IN HOUR. [redacted] WAS GIVEN FOR FM'S CURRENT WHEREABOUTS. VIA COPP WE RECOMMENDED IMMEDIATE CALL BY MACFARLANE FROM [redacted]. COPP ADVISES THIS NOW SET FOR 1830 LOCAL.

2. NO FILE.

END OF MESSAGE ~~SECRET~~

3483

Partially Declassified/Released on 5 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3 7C

21405

DO

REVIEWED FOR RELEASE
Date 28 APR 1987

NSC 2SSC
CIIN 2157

~~SECRET~~ UNCLASSIFIED

EXHIBIT
DRC #1-27

75 338
305

Exhibit DRC-1-28

UNCLASSIFIED ~~SECRET~~

C/EUR
INCOMING

[redacted]

85 9102545 ASZ PAGE 001 IN 9102545
TOR: 23[redacted]NOV 85 [redacted]

~~SECRET~~ 23[redacted]NOV 85 STAFF

CITE[redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

1. COPP ADVISES WE CAN ANTICIPATE NEGATIVE RESPONSE TO OUR LAST MESSAGE TO EFFECT USG REGRETS[redacted]UNABLE TO ASSIST IN THIS HUMANITARIAN EFFORT. CHARGE, ANTICIPATING HANGUP ON REFERENCE TO AMERICAN HOSTAGES, ASKED IF[redacted]WOULD ACCEPT REFERENCE TO "AMERICANS BEING HELD" STATED SUCCINCTLY WITHOUT USE OF WORD HOSTAGES. CHARGE BELIEVES THAT MESSAGE SOLELY EXPRESSING REGRET WOULD NOT CHANGE[redacted]POSITION AND THEY WOULD SIMPLY CLOSE OFFICES AND GO HOME. CAN YOU PROVIDE AN ALTERNATIVE WORDING FOR A PARA TWO. CHARGE AND[redacted]ALSO STRONGLY RECOMMEND IF A POSITIVE RESPONSE NOT POSSIBLE THAT MCFARLAND MAKE ONE LAST TELEPHONE CALL TO FOREIGN MINISTER WHO IS NOW AVAILABLE.

2. FILE: NONE. DECL OADR DRV HUM 4-82.

END OF MESSAGE

3484

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC 255C

3 7C

DO 21406

EXHIBIT
DRC #1-28

C11N 2158

UNCLASSIFIED ~~SECRET~~ 306

## Exhibit DRC-1-29

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 1102570 ASZ PAGE 001
TOT: 23[redacted] NOV 85 DIRECTOR 627621

S E C R E T
STAFF 23[redacted] DIRECTOR 627621
TO: FLASH [redacted]

[redacted]

SUBJECT: NSC MISSION

REF: [redacted]

1. ADMIRAL POINDEXTER REQUESTS THAT THE CHARGE CONVEY THE FOLLOWING NOTE TO THE GOVERNMENT [redacted] QUOTE: WE REGRET THAT YOUR GOVERNMENT WAS UNABLE TO FULFILL THE USG REQUEST FOR THIS HUMANITARIAN MISSION. END QUOTE.

2. IT IS OBVIOUS FROM THE ABOVE THAT WE ARE CLOSING DOWN [redacted] ASPECT OF THIS OPERATION. SHOULD THE NOTE ELLICIT A RECONSIDERATION OF THE SITUATION BY [redacted] WE MIGHT REACTIVATE AT SOME POINT. APPRECIATE YOUR EFFORTS ON ALL OF THIS. REGARDS.

3. FILE: NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.> ORIG: C/EUR (CLARRIDGE); AUTH: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY [redacted]

END OF MESSAGE

SECRET

3485

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC & SSC

DO

21407 3 7C

EXHIBIT
DRC-#1-29

C11N 2159

UNCLASSIFIED
~~SECRET~~

307

EXHIBIT DRC-1-30

~~SECRET~~ UNCLASSIFIED

[redacted]

C/EUR
OUTGOING

85 9102608 ASZ PAGE 001
TOT: 23 [redacted] NOV 85 DIRECTOR 627626

~~S E C R E T~~
STAFF 25 [redacted] DIRECTOR 627626
TO: FLASH [redacted]

SUBJECT: NSC REQUEST

1. IF YOU HAVE NOT YET BEEN ABLE TO MEET [redacted] WOULD AT LEAST LIKE A PROGNOSIS ON WHEN SUCH A MEETING IS LIKELY TO TAKE PLACE.

2. FILE: NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY [redacted]

END OF MESSAGE

[redacted]

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by 3. Reger, National Security Council

3486

A

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC + SSC

3 7C

DO 21405

C11N 2161/A

EXHIBIT
DRC-1-30

UNCLASSIFIED

## EXHIBIT DRC-1-31

UNCLASSIFIED ~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [illegible] ASZ PAGE 001
TOT: 23[redacted] NOV 85 DIRECTOR 627627

S E C R E T
STAFF 23[illegible] DIRECTOR 627627
TO: [illegible]
[redacted]

SUBJECT: NSC [illegible]

REF [redacted]

1. REGRET TEXT PROPOSED IN REF IS UNACCEPTABLE. MACFARLANE HAS APPROVED TEXT PREVIOUSLY SENT YOU. PLEASE IMPLEMENT. BE ASSURED HIGHEST LEVEL USG APPRECIATIVE OF YOUR PERSONAL EFFORTS AND THOSE OF CHARGE, COPP, ET AL.

2

2. FILE: NO FILE. DECL OADR [redacted] 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: C/E[redacted]RIDGE); REL: C/EUR (CLARRIDGE). [redacted]

END OF MESSAGE

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3487

A
10 3

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

DO

EXHIBIT
DRC-#1-31

CIIN 2162/A

UNCLASSIFIED ~~SECRET~~ 309

## Exhibit DRC-1-32

UNCLASSIFIED

~~SECRET~~

C/EUR
ACTION

[redacted]

85 9103070 ASO PAGE 001 IN 9103070
TOR: 23[redacted]NOV 85 [redacted]

~~S E C R E T~~ 23[redacted]NOV 85 STAFF

CITE [redacted]

[redacted]

SUBJECT: NSC MISSION

FROM CHARGE

1. AT 2015 HOURS LOCAL TIME, CHARGE MET WITH FOREIGN MINISTER [redacted] AND HANDED OVER NOTE INCORPORTATING LANGUAGE EXPRESSING REGRET. [redacted] REACTION-WAS-MIXTURE OF PUZZLEMENT AND INDIGNATION. HE SAID THE NOTE WAS INACCURATE BECAUSE [redacted] WAS PREPARED TO RESPOND POSITIVELY AT THE MOMENT. ALL IT HAD ASKED FOR WAS A NOTE REPORTING THE INFORMATION MR. MCFARLANE HAD GIVEN HIM DURING THEIR TELEPHONE CONVERSATION NIGHT OF NOVEMBER 22. HE SAID HE HAD TOLD MR. MCFARLANE HE NEEDED SUCH A NOTE AND MCFARLANE HAD AGREED.

2. [redacted] SAID THE FIRST NOTE DID NOT CONTAIN ALL THE NECESSARY INFORMATION. [redacted] IT NEEDED A REITERATION OF THE HUMANITARIAN PURPOSES AND THE FACT THAT IT WAS DESIGNED TO RELEASE AMERICANS BEING HELD. [redacted]

3. CHARGE MADE STRONG APPEAL [redacted] RECONSIDER NEED FOR A WRITTEN STATEMENT OF PURPOSES AND POINTED OUT BOTH POLITICAL SENSITIVITY AND IMPORTANCE OF SUCH AN OPERATION TO THE PRESIDENT. [redacted] SAID HE UNDERSTOOD. [redacted] WANTED TO COOPERATE BUT IT HAD TO PROTECT ITSELF POLITICALLY. [redacted] NEVERTHELESS SAID [redacted] WOULD TAKE ANOTHER LOOK AT SITUATION AND WOULD GET IN TOUCH WITH CHARGE IF ITS POSITION CHANGED. IN ANY EVENT HE SAID [redacted] WOULD RESPOND TO THE NOTE AND TAKE ISSUE WITH THE IMPLICATION OF THE NOTE THAT [redacted] WAS NOT TRYING TO BE HELPFUL.

4. [redacted] THEN SPENT ABOUT FIVE MINUTES EXPRESSING HIS UNHAPPINESS WITH THE "DISASTROUS" WAY THIS OPERATION WAS HANDLED. HE SAID IF [redacted] HAD KNOWN WHO THEY WERE DEALING WITH, THINGS COULD PROBABLY HAVE BEEN WORKEDOUT. BUT ANONYMOUS PEOPLE CLAIMING TO "REPRESENT THE AMERICAN. ADMINISTRATION" HAD RAISED ALL SORTS OF UNNECSSARY QUESTIONS. PARTICULARLY UPSETTING WAS AN EFFORT BY THESE PEOPLE TO MEET HIM AND THE PRIME MINISTER AT THE AIRPORT ON THEIR RETURN FROM BRUSSELS. THEY FAILED TO DO SO BECAUSE THE MINISTERS WERE FLYING A MILITARY AIRCRAFT. NEVERTHELESS IN THE PROCESS THEY AROUSED BOTH ATTENTION AND SUSPICION. [redacted] CLOSED THE MEETING BY REITERATING THAT [redacted] WOULD TAKE ANOTHER LOOK AT IT. CHARGE THANKED HIM AND REITERATED PROPOSED FLIGHTS PART OF

UNCLASSIFIED

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3488

EXHIBIT
DRC-#1-32

6 7

DO

23409

UNCLASSIFIED
~~SECRET~~

```
-----------------------------------------------------------------------
85 9103070  ASO                  PAGE 002                IN 9103070
                         TOR: 23[redacted]NOV 85          [redacted]
-----------------------------------------------------------------------
A VERY SENSITIVE AND OBVIOUSLY IMPORTANT EFFORT TO HELP
TROUBLED AMERICANS. [redacted] SAID HE UNDERSTOOD.

     5.  MEETING GENERALLY FRIENDLY BUT [redacted] CLEARLY TAKEN
ABACK BY NOTE. HE WENT TO SOME PAINS TO MAKE IT CLEAR THAT HE
BELIEVES HE ASKED FOR NOTHING MORE THAN HAD BEEN PROMISED-AND
THE ABSOLUTE MINIMAL PROTECTION [redacted]

     6.  FILE:  NONE. DECL OADR DRV HUM 4-82.
END OF MESSAGE                       ~~SECRET~~
```

C

I

A

6 7

DO

CIIN 21631/A UNCLASSIFIED ~~SECRET~~ REVIEWED FOR RELE 75 938 ~~304~~

311

## EXHIBIT DRC-1-33

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
ACTION

85 9103[redacted] ASZ [redacted] PAGE 001 IN 9103143 [redacted]
TOR: 23[redacted]NOV 85

[redacted] T 23[redacted] NOV 85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR

[redacted]

SUBJECT: NSC REQUEST

REF: DIRECTOR 627461

1. ON RECEIPT REF. [redacted] MET FIRST WITH [redacted] AND SUBSEQUENTLY WITH [redacted] IT BEING SATURDAY NIGHT, TRACKING THEM DOWN WAS NOT RAPIDLY ACCOMPLISHED. [redacted] OFFICIALS TOOK PROVIDED INFORMATION AND NOTED A NUMBE[redacted] INDIVIDUALS WOULD NEED BE CONTACTED IN ORDER SEEK AGREEMENT [redacted] OVERFLIGHTS [redacted]

2. AT APPROXIMATELY 2200 LOCAL [redacted] REPORTED MILITARY AND PRIME MINISTER'S OFFICE WERE IN GENERA[redacted]GREEMENT BUT DECISION WAS THAT MFA SHOULD BE APPROACHED DIRECTLY. [redacted]

3. [redacted] AT TH[redacted]OINT [redacted] DECIDED BRIEF AMBASSADOR DUE NECESSITY DEAL DIRECTLY WITH MFA. AMBASSADOR WAS SUPPORTIVE.

3489

4. [redacted] BRIEFED HIM PER REFS. HE AGREED IN PRINCIPLE TO THE OVERFLIGHT REQUESTS BUT NOTED FOLLOWING WHICH [redacted] WOULD BELIEVE NECESSARY TO THEIR FINAL DECISION:

A. SOME IDEA OF WHAT THE AIRCRAFT WOULD CARRY AS PRESUMABLY THEY WOULD NOT BE EMPTY;

B. OVERFLIGHT OF THREE AIRCRAFT SIMULTANEOUSLY OR CLOSEL[redacted] WOULD NOT BE ACCEPTABLE. HE SUGGESTED 24 HOUR STAGGERING; [redacted] WITH 12 TO 18;

C. [redacted]

EXHIBIT
DRC-#1-33

7

5. IN OUTLINING HIS CONCERNS [redacted] NOTED [redacted] AS A [redacted] WISHED ACCEDE TO THE REQUEST BVUT FELT THEY ENTITLED TO MORE [redacted] THAN SO FAR PROVIDED. [redacted] THEY NEEDED IN ADDITION TO SOME MORE [redacted] OWN USE, ALSO A COVER STORY SHOULD FLIGHTS CALL ADVERSE [redacted]

23407

6. [redacted] COMMENT: IT IS CLEAR FROM CONVERSATIONS WITH [redacted] OFFICIALS [redacted] IS WILLING TO AGREE TO THE NSC PROPOSAL PROVIDED WE ARE A LITTLE MORE FORTHCOMING ABOUT WHAT IS INVOLVED. THEY BELIEVE THEY ARE ENTITLED TO SUCH CONSIDERATION.

UNCLASSIFIED
~~SECRET~~

REVIEWED FOR RELEASE

312 75 938 [redacted] 308

Partially Declassified/Released on 12 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

~~SECRET~~

85 9103143 [illegible] PAGE 002 IN 9103143 [redacted]

TOR: 23[redacted]NOV 85

7. [redacted] STRONGLY RECOMMEND AND REQUEST [redacted] PROVIDE ADDITIONAL INFORMA[illegible]ON REGARDING FLIGHTS. [redacted] CANNOT ASSURE FINAL APPROVAL UNLESS [redacted] WE HAVE LEVELED WITH THEM. AT THE MOMENT, THEY HAVE FEELING THAT [illegible] IS ONCE AGAIN TAKING THEM FOR GRANTED AND NOT DEALING WITH THEM AS FU[illegible]Y WHO CAN [illegible]RUSTED. AMBASSADOR CONCURS WITH [redacted] VIEW.

8. NO [illegible]

DECL OADR DRV [illegible]82. ALL SECRET.
END OF MESSAGE ~~SECRET~~

I

A

7

UNCLASSIFIED

~~SECRET~~

C11N-2164/A

DO

23106

75 938

REVIEWED FOR RELEASE 3/13

EXHIBIT DRC-1-34

UNCLASSIFIED ~~SECRET~~

[redacted]

C/EUR
ACTION

85 9103[redacted] ASZ PAGE 001 IN 9103148
TOR: 2[redacted] NOV 85 [redacted]

~~S E C R E T~~ 23[redacted] NOV 85 STAFF

CITE [redacted]

TO: [redacted]

SUBJECT: IDENTITIES

REF: [redacted] [redacted]

1. IDENTITY A: [redacted]

IDENTITY B: [redacted]

2. NO FILE.

DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE

3490

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by J. Reger, National Security Council

A

REVIEWED FOR RELEASE
Date 20 APR 1987

HSC - SSC

DO

214

7C

UNCLASSIFIED
~~SECRET~~

EXHIBIT
DRC-1-34

C11N 2165/A

314

75 938

## EXHIBIT DRC-1-35

~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [redacted] ASZ
PAGE 001
TOT: 2[redacted] NOV 85 DIRECTOR 627760

STAFF [redacted] DIRECTOR 627760
TO: [redacted]

SUBJECT: NSC [redacted]

REFS: A [redacted]
B

PLEASE ADVISE BY FLASH PRECEDENCE [redacted]
[redacted]
NO FILE. DECL: OADR DRV HUM 4-82 ALL SECRET.>
ORIG/REL: C/EUR (CLARRIDGE).
>
NNNN
END OF MESSAGE

[redacted]

3491

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

DO 21414 7C

EXHIBIT
DRC #1-35

C11N 2164/A

UNCLASSIFIED

Document

Exhibit DRC #1-36

Deleted in its Entirety (3492)

## Exhibit DRC-1-37

UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
OUTGOING

```
85 01038[redacted] ASZ                PAGE 001
                            TOT: 24[redacted]NOV 85        DIRECTOR 627797
---------------------------------------------------------------------------

S E C R E T
STAFF 24[redacted] DIRECTOR 627797
TO: [redacted]
[redacted]

SUBJECT: [redacted]
REFS: A. [redacted]
      B. [redacted]

     1. YOU MAY ADVISE [redacted] THAT THE AIRCRAFT ARE
CARRYING SOPHISTICATED SPARE PARTS FOR THE OIL INDUSTRY. THE
AIRCRAFT SORTIES WILL BE ONE AT A TIME SPREAD OVER A NUMBER
OF DAYS, HOWEVER WE WOULD HOPE TO MAKE THE FIRST SORTIE
SOMETIME ON 24 NOV [redacted]

     2. AS FAR AS A COVER STORY IS C[redacted]D, WE DO NOT
UNDERSTAND THE [redacted] PROBLEM BECAUSE [redacted]ERSTAND THAT
FLIGHTS OF THIS NATURE ACROSS [redacted]MON PLACE, BUT
WE MAY BE IN ERROR AND IF SO, PLEASE [redacted] AND WE WILL
PROVIDE APPROPRIATE COVER STORY.

     3. PLEASE ADVISE [redacted]TOTAL OF FIVE
SORTIES ARE REQUIRED NOT THREE AS WE [redacted]USLY TOLD YOU.
THE REASON FOR THIS IS THAT THE CUBE [redacted] HAS BEEN RE-
COMPUTED.

     4. THE AIRCRAFT FILING POINT FOR [redacted]LIGHT WILL VARY.
FIRST FILING POINT WILL BE [redacted] G[redacted]

     5. NO FILE.>
DECL OADR DRV HUM 4-82. ALL .SECRET
ORIG/REL: C/EUR CLARRIDGE SIGNED BY CDO-[redacted] PER
AUTHORITY MR. CLARRIDGE.

END OF MESSAGE                    ~~SECRET~~
```

3493

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC + SSC

DO

A
416 [redacted]C

EXHIBIT
DRC #1-37

C11N 2168/A

~~SECRET~~
UNCLASSIFIED

317 75 938 [redacted]

# EXHIBIT DRC-1-38

UNCLASSIFIED ~~SECRET~~

C/EUR
OUTGOING

[redacted]

85 810[redacted] ASZ PAGE 001
TOT: 24[redacted]NOV 85 DIRECTOR 627896

~~SECRET~~
STAFF [redacted] DIRECTOR 627896
TO: F[redacted]

SUBJECT: NSC [redacted]

REF: DIRECTOR 627797

1. WE ARE RUNNING OUT OF TIME. WE NEED TWO SORTIES IN THE NEXT 48 HOURS OR SO IN ORDER TO PROVE OUR GOOD FAITH. THE HEAVY FIGHTING IN BEIRUT DURING THE LAST FEW DAYS IS DIRECTLY RELATED TO THE EFFORT TO FREE THE HOSTAGES. THIS PRESSURE CANNOT BE SUSTAINED MUCH LONGER UNLESS WE CAN PROVE THAT WE ARE SERIOUS FROM OUR SIDE. WE SIMPLY CANNOT WAIT [redacted] MUST UNDER[redacted] THAT NOT ALL THE CARDS ARE IN OUR HANDS. WE WOULD LIKE TO A[redacted]DATE THEM BUT WE CAN'T. THE HIJACKING OF EGYPTIAN A[redacted] TONIGHT AND THE ALLEDGED MURDER OF 3 OR MORE OF OUR C[redacted] IN THAT EVENT IS INCREASING THE PRESSURE HERE FOR RESULT[redacted]UESS WHAT I AM SAYING IS THAT WE ARE ASKING OUR ALLIES TO STAND[redacted]D BE COUNTED. THE [redacted] NATION HAS SUFFERED ENOUGH FRO[redacted]ORISM AND SHOULD UNDERSTAND WHAT WE ARE TALKING ABOUT.[redacted]

2. WHAT I WANT IS [redacted] CLEA[redacted]HE NEXT FEW HOURS FOR ONE AIRCRAFT CARRYING OIL INDUSTRY EQU[redacted] TO TRANSIT [redacted] AND ANOTHER TO FOLLOW AT WHATEVER INTE[redacted]R ACCEPTABLE TO [redacted] WE SIMPLY CANNOT WAIT [redacted] IT IS OUR UNDERSTANDING THAT IT IS NOT UNUSUAL FOR COMMERCIAL AIRCRAFT TO USE THE FLIGHT CORRIDOR WE PROPOSE TO UTILIZE [redacted]

3. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG/REL C/EUR (CLARRIDGE) SIGNED BY [redacted] CDO PER AUTHORITY OF MR. CLARRIDGE.<

END OF MESSAGE ~~SECRET~~

3494

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 120 APR 1987
HSC : SSC

A 7C

DO

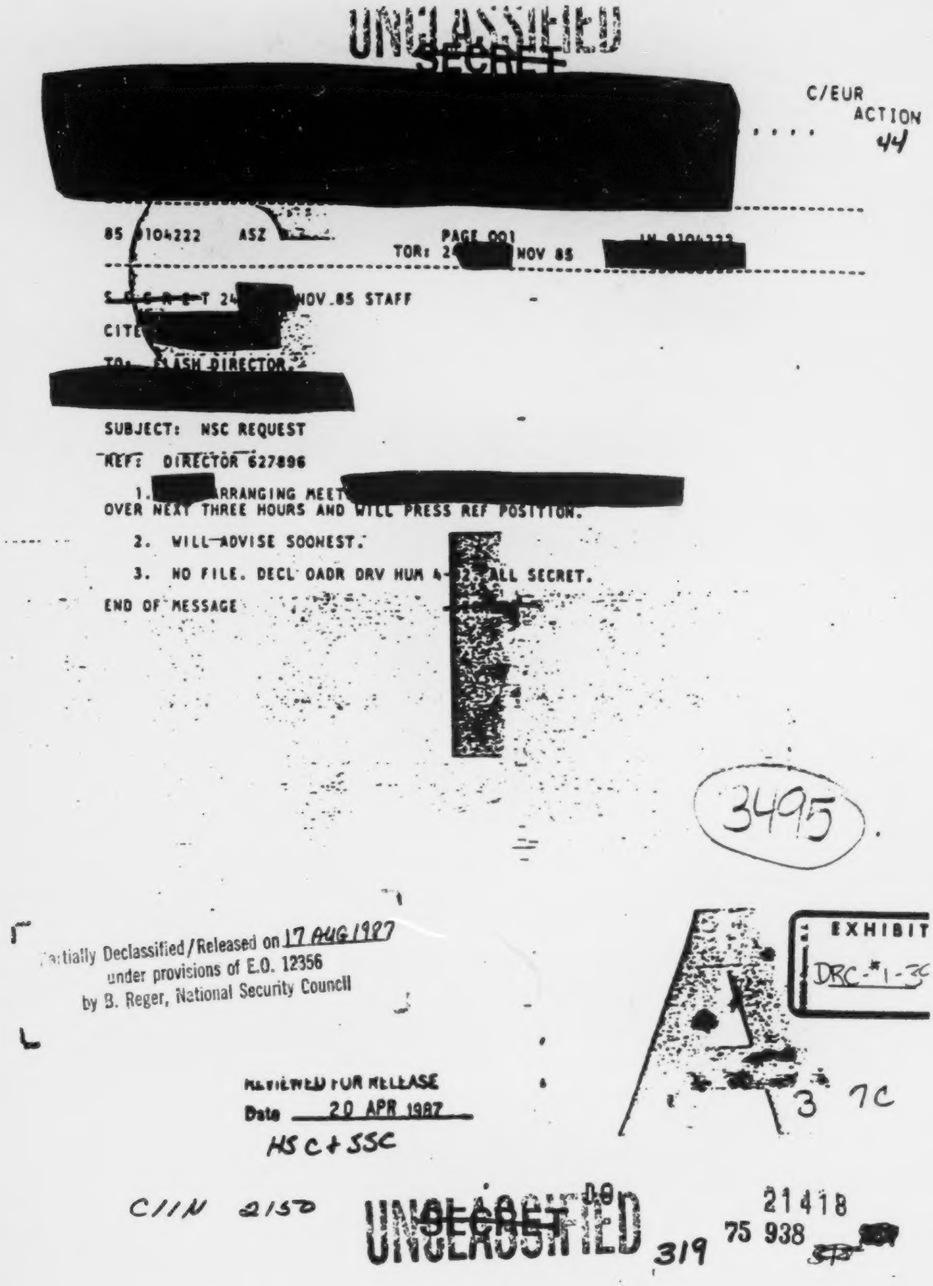
21417

EXHIBIT
DRC-#1-38

C11N 2169/A UNCLASSIFIED ~~SECRET~~

318 75 330 ~~384~~

## EXHIBIT DRC-1-39



UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
ACTION
44

85 0104222 ASZ

PAGE 001
TOR: 2[redacted] NOV 85 [redacted]

~~S E C R E T~~ 24[redacted]NOV.85 STAFF

CITE [redacted]

TO: FLASH DIRECTOR.

[redacted]

SUBJECT: NSC REQUEST

~~REF:~~ DIRECTOR 627896

1. [redacted] ARRANGING MEET[redacted]
OVER NEXT THREE HOURS AND WILL PRESS REF POSITION.

2. WILL ADVISE SOONEST.

3. NO FILE. DECL OADR DRV HUM 4-[redacted] ALL SECRET.

END OF MESSAGE

3495

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC-1-3

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC + SSC

3 7C

C11N 2150

UNCLASSIFIED ~~SECRET~~

D0

319 21418
75 938

## EXHIBIT DRC-1-40

~~SECRET~~ UNCLASSIFIED

[redacted]

C/EUR
ACTION

85 910[redacted] ASZ [redacted] PAGE 001 IN 9104932 [redacted]
TOR: 24[redacted] NOV 85

S-E-C-R-E-T 2[redacted] NOV 85 STAFF

CITE [redacted]

[redacted]

SUBJECT: NSC REQUEST

REFS: A. [redacted]
B. DIRECTOR 627836

1. DO NOT HAVE FINAL CLEARANCE BUT PROSPECTS LOOKING SOMEWHAT BETTER. THE FORMIN MUST MAKE FINAL DECISION: HE IS OPPOSED TO THE FLIGHTS WHILE [redacted]

2. BELIEVE HAVE PERSUADED AM [redacted] F NEED FO [redacted] TO PERMIT REQUESTED TWO FLIGHTS OVER NE [redacted] URS OR SO AND HOPE HE CAN CONVEY OUR URGENCY AND NEED T [redacted]

3. IN MEANTIME AND ON OPTIMISTIC [redacted] EED FOLLOWING INFORMATION FOR FIRST (AND SUBSEQUENT [redacted] S):

A. TYPE OF AIRCRAFT AND REGISTRY [redacted]
B. CALL SIGNS/TAIL NUMBERS;
C. AIR ROUTE TO BE FOLLOWED;
D. DEPARTURE/ARRIVAL POINTS;
E. PLANNED ENTRY AND EXIT POINTS INTO/OUT OF [redacted] AIR SPACE;
F. DEPARTURE TIME FROM FILING POINT AND TIME WILL ENTER/EXIT [redacted] AIR SPACE.

REGARDING ABOVE, [redacted] CANNOT AGREE TO A DIRECT ROUTING FR [redacted] THE AIRCRAFT(S) MUST TURN TO COME IN FRO [redacted] F R

4. [redacted]

5. WILL ADVISE WHEN HAVE FINAL GOT DECISION.

6. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.
END OF MESSAGE ~~SECRET~~

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3496

EXHIBIT
DRC #1-4

7C

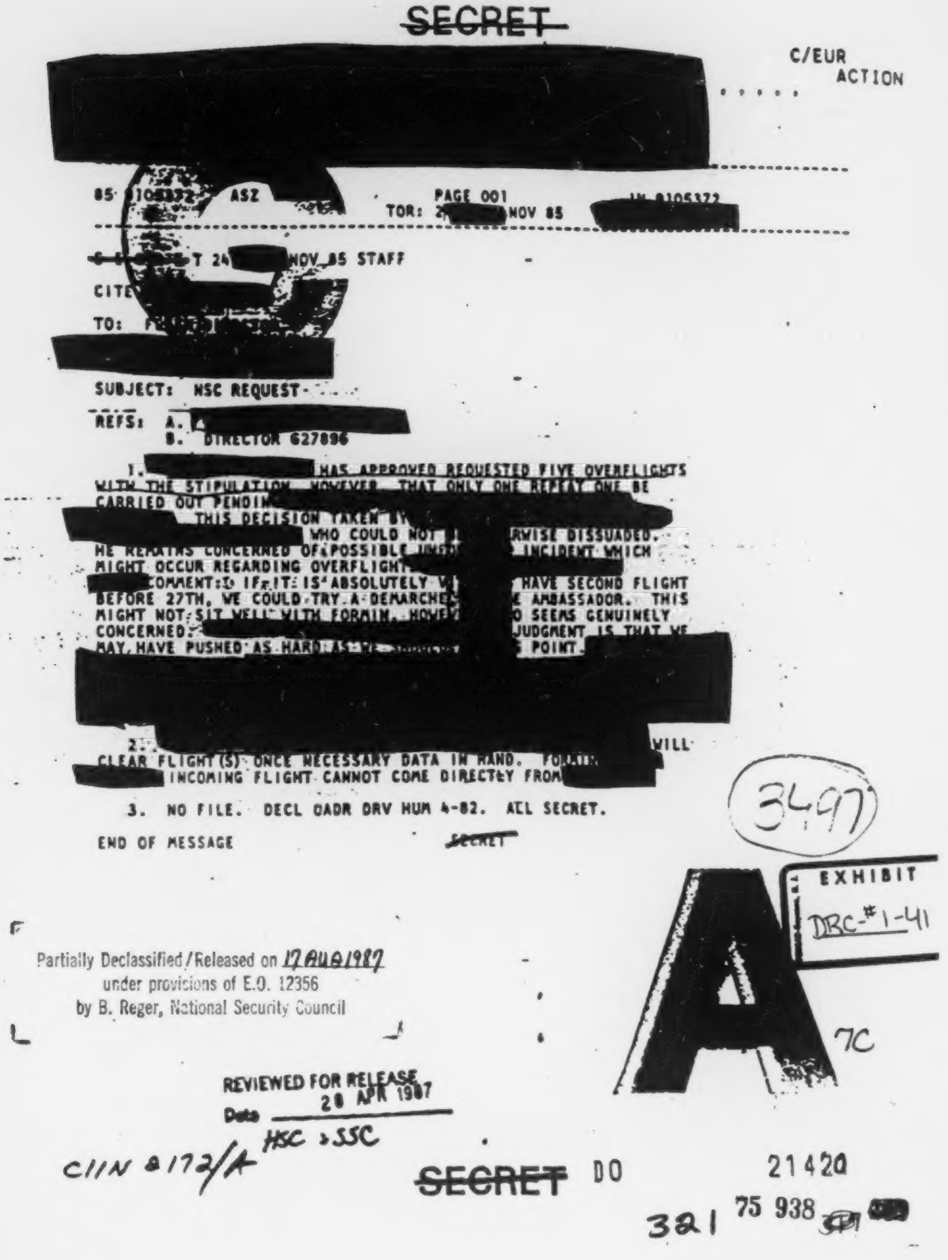
REVIEWED FOR RELEASE
2171 No. 20 APR 1987
CIIN [redacted]
NSC 0 35C

~~SECRET~~ UNCLASSIFIED

21419

320 75 938

## EXHIBIT DRC-1-41



~~SECRET~~

C/EUR
ACTION

[redacted]

85 0105372 ASZ [redacted] PAGE 001 IN 0105372
TOR: 2[redacted]NOV 85 [redacted]

~~SECRE~~T 24[redacted]NOV 85 STAFF

CITE [redacted]

TO: [redacted]

SUBJECT: NSC REQUEST

REFS: A. [redacted]
B. DIRECTOR 627896

1. [redacted] HAS APPROVED REQUESTED FIVE OVERFLIGHTS WITH THE STIPULATION, HOWEVER, THAT ONLY ONE REPEAT ONE BE CARRIED OUT PENDIN[redacted] THIS DECISION TAKEN BY [redacted] WHO COULD NOT [redacted]RWISE DISSUADED. HE REMAINS CONCERNED OF POSSIBLE UN[redacted] INCIDENT WHICH MIGHT OCCUR REGARDING OVERFLIGHT[redacted] COMMENT: IF IT IS ABSOLUTELY V[redacted] HAVE SECOND FLIGHT BEFORE 27TH, WE COULD TRY A DEMARCHE[redacted]E AMBASSADOR. THIS MIGHT NOT SIT WELL WITH FORMIN, HOWEV[redacted]O SEEMS GENUINELY CONCERNED. [redacted] JUDGMENT IS THAT WE MAY HAVE PUSHED AS HARD AS WE [redacted]S POINT. [redacted]

2. [redacted] WILL CLEAR FLIGHT(S) ONCE NECESSARY DATA IN HAND. FORMIN [redacted] INCOMING FLIGHT CANNOT COME DIRECTLY FROM [redacted]

3. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE ~~SECRET~~

(3497)

EXHIBIT
DRC-#1-41

A

7C

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 28 APR 1987

C11N 0172/A HSC > SSC

~~SECRET~~ DO 21420

321 75 938

EXHIBIT DRC-1-42

~~SECRET~~

C/EUR
OUTGOING

[redacted]

85 [redacted] ASZ
PAGE 001
TOT: 2[redacted]NOV 85 DIRECTOR 628215

[redacted]
STAFF 24[redacted] DIRECTOR 628215
TO: [redacted]

SUBJECT: [redacted]

REF: [redacted]

THE FOLLOWING PROVIDED RE PARA 3 REF:
A. TYPE OF AIRCRAFT AND REGISTRY: B-707[redacted]
REGISTRATION[redacted]
B. CALL SIGN AND TAIL NO: [redacted] (BOTH CALL SIGN AND TAIL NO)
C. AIR ROUTE FROM[redacted] OR AS DIRECTED[redacted]
D. ENTER[redacted] AIR SPACE AT CHECKPOINT[redacted] AFTER
DEPARTURE. EXIT AT[redacted] TIME[redacted]
RETURN ROUTE[redacted] TIME FROM[redacted] TO[redacted] IS[redacted]
NO FILE. DECL: OADR DRV HUM 4-82 AL[redacted]ET.>
ORIG/REL: EUR [redacted] REL: [redacted] (CLARRIDGE)
>
NNNN
END OF MESSAGE

3498

EXHIBIT
DRC-#1-42

Partially Declassified/Released on 17 AUG 87
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

A 7C

DO 21421

C11N 2173/A

~~SECRET~~

328
75 938

## Exhibit DRC-1-43

UN ~~SECRET~~

[redacted]

C/EUR
ACTION

85 [redacted] ASZ [redacted] PAGE 001 IN 9105934
TOR: 24[redacted] NOV 85 [redacted]

~~S E C R E T~~ 24[redacted] NOV 85 STAFF

CITE [redacted]

[redacted]

SUBJECT: NSC REQUEST

REF: DIRECTOR 628215

1. ASSUME [redacted] WILL BE ALERTED PRIOR ACTUAL MOVEMENT REF AIRCRAFT. PLS ADVISE.

2. NO FILE. DECL OADR DRV HUM 4-[redacted] SECRET.

END OF MESSAGE

3499

EXHIBIT
DRC #1-43

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

7C

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC & SSC

21422

C11N 2174/A UNCLASSIFIED ~~SECRET~~ 323

75 938

## Exhibit DRC-1-44

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 9100084 ASZ PAGE 001
TOT: 2[redacted] NOV 85 DIRECTOR 628227

~~SECRET~~
STAF[redacted]DIRECTOR 628227
TO: [redacted]

SUBJECT: NSC [redacted]

REF: [redacted]

WILL ADVISE TO THE BEST OF OUR KNOWLEDGE APPROXIMATE TIME AIRCRAFT DEPARTS.
NO FILE. DECL: OADR DRV HUM 4-82 ALL SECRET.>
ORIG/REL: -EUR [redacted] REL: C/EUR (CLARRIDGE).
>
NNNN
END OF MESSAGE

[redacted]

3500

EXHIBIT
DRC*1-44

...ially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC & SSC

7C

CIIN 2177/A

UNCLASSIFIED
~~SECRET~~

DU 324 21425
~~300~~
75 938

## Exhibit DRC-1-45

UNCLASSIFIED
~~SECRET~~

[redacted] C/EUR
ACTION

85 9[illegible] ASZ PAGE 001
TOR: 24[redacted]NOV 85 IN 9106111 [redacted]

[illegible] 24[redacted]NOV_85 STAFF

CITE [redacted]

TO: [redacted]

SUBJECT: NSC REQUEST

REF: A. DIRECTOR 628227
B. [redacted]

1. JUST SO WE ARE ALL FOCUSED ON THE SAME PARTICULARS. [redacted] WILL NEED IN ADVANCE FLIGHT PLAN FOR AIRCRAFT, SPECIFICALLY DATE AND TIME OF PLANNED ENTRY INTO [redacted] AIR SPACE. THIS INFO WILL BE NEEDED BY [redacted] AUTHORITIES [redacted] TIME IN ADVANCE.

2. NO FILE. DECL OADR DRV HUM 4-[redacted] SECRET.

END OF MESSAGE

3501

EXHIBIT
DRC #1-45

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

7C

DO 325 21423
CIIN 2175/A UNCLASSIFIED ~~SECRET~~ 75 938

## Exhibit DRC-1-46

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 910[redacted] ASZ PAGE 001
TOT: 25[redacted] NOV 85 DIRECTOR 628234

STAFF 2[redacted] DIRECTOR 628234
TO: [redacted]

SUBJECT: [redacted]

REF: [redacted]

--- DO NOT HAVE DIRECT COMMO WITH AIRCRAFT BUT BELEIVE IT DEPARTED 24[redacted] ETA[redacted] ETD[redacted] 25[redacted] ETA DESTINATION TABRIZ 25[redacted] ETD TABRIZ [redacted]

JUST RECEIVED CONFIRMATION AIRCRAFT ARRIVED [redacted] 24[redacted] ETD REMAINS AS ABOVE. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: EUR [redacted]; REL: C/EUR (CLAR[redacted]
NNNN
END OF MESSAGE

3502

EXHIBIT
DRC #1-46

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC - SSC

7C

C11N 2178/A

UNCLASSIFIED
~~SECRET~~

# Exhibit DRC-1-47

UNCLASSIFIED
~~SECRET~~

[redacted] C/EUR
ACTION

85 [redacted] ASZ [redacted] PAGE 001 IN 9107383
TOR: 25 [redacted] NOV 85 [redacted]

~~S E C R E T~~ 25 [redacted] NOV 85 STAFF

CIT[redacted]

TO: [illegible]
[redacted]

SUBJECT: NSC REQUEST

REFS: A. DIRECTOR 628234
B. [redacted]

1. REF RECEIVED AFTER ENTRY AIRCRAFT INTO [redacted] AIR SPACE BUT GIVEN [redacted] PRIOR (FORTUNATELY) COORDINATION WAS PERMITTED OVERFLY EVEN THOUGH ENTERING DIRECT [redacted] (ABOUT WHICH [redacted] UNHAPPY). AIRCRAFT FOR SOME REA[redacted]ALSO GAVE DESTINATION AS TEHERAN WHICH HAS PROVOKED QUERY FROM [redacted] PERHAPS THIS IS INCORRECT. WE WILL SEE LATER AS IT DIFFICULT F[redacted]LE AT 4AM TO SORT THINGS OUT.

2. MORE DISTURBING IS FACT COMMER[redacted] CARRIER HAS FILED FLIGHT PLANS FOR TWO ADDITIONAL SORTIES TODA[redacted]NOV) AND ONE FOR TOMORROW. FIRST ADDITIONAL FLIGHT SCHEDULED ENT[redacted] AIRSPACE ABOUT NOW [redacted] LOCAL) AND WILL BE DENIED PERMI[redacted]AS WILL THE OTHERS FOR TODAY AND TOMORROW ACCORDING TO MFA. [redacted] HA[redacted]N INFORMED THAT [redacted] IS "FURIOUS" ABOUT WHAT HE CONSIDERS GROS[redacted]ORING BY US O[redacted] STIPULATIONS AND CONCERNS [redacted]

3. AT MOMENT ASSUME ABOVE FLIGHT PLANS, WHICH RECEIVED BY COMMERICIAL TELEX, MAY HAVE BEEN ENGENDERED PRIOR TO DISCUSSIONS 23-24 NOV WITH [redacted] AND WORD NOT RECEIVED BY CARRIER [redacted] HOPES SO. ANY LIGHT HQS CAN SHED ON THE MATTER WILL BE APPRECIATED AS WE MUST SORT THINGS OUT [redacted]

3503

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

* HFD COMMENT: BEING SERVICED FOR CORRECT CITE NUMBER.

END OF MESSAGE ~~SECRET~~

EXHIBIT
DRC #1-47

A

7C

Partially Declassified/Released on 12 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987

DO 21424

C11N 2176/A HIC, SSC

~~SECRET~~ UNCLASSIFIED

## Exhibit DRC-1-48

UNCLASSIFIED ~~SECRET~~

[redacted]

C/EUR
ACTION

85 9107[redacted] ASZ [redacted] PAGE 001 IN 9107383A
CORREC[redacted]PY [redacted] TOR: 25[redacted] NOV 85 [redacted]

~~S E C R E T~~ 25[redacted] NOV 85 STAFF

CITE [redacted]

TO: F[redacted]

[redacted]

SUBJECT: NSC REQUEST

REFS: A. DIRECTOR 628234
B. [redacted]

1. REF RECEIVED AFTER ENTRY AIRCRAFT INT[redacted] AIR SPACE BUT GIVEN [redacted] PRIOR (FORTUNATELY) COORDINATION WAS PERMITTED OVERFLY EVEN THOUGH ENTERING DIRECTL[redacted] (ABOUT WHICH [redacted] UNHAPPY). AIRCRAFT FOR SOME REA[redacted]SO GAVE DESTINATION AS TEHERAN WHICH HAS PROVOKED QUERY FROM [redacted] PERHAPS THIS IS INCORRECT. WE WILL SEE LATER AS IT DIFFICULT FIN[redacted]LE AT 4AM TO SORT THINGS OUT.

2. MORE DISTURBING IS FACT COMMER[redacted] CARRIER HAS FILED FLIGHT PLANS FOR TWO ADDITIONAL SORTIES TODA[redacted]NOV) AND ONE FOR TOMORROW. FIRST ADDITIONAL FLIGHT SCHEDULED ENT[redacted] AIRSPACE ABOUT NOW ([redacted] LOCAL) AND WILL BE DENIED PERM[redacted]AS WILL THE OTHERS FOR TODAY AND TOMORROW ACCORDING TO MFA. [redacted]N INFORMED THAT [redacted] IS "FURIOUS" ABOUT WHAT HE CONSIDERS GRO[redacted]ORING BY US OF [redacted] STIPULATIONS AND CONCERNS [redacted]

3. AT MOMENT ASSUME ABOVE FLIGHT PLANS, WHICH RECEIVED BY COMMERICIAL TELEX, MAY HAVE BEEN ENGENDERED PRIOR TO DISCUSSIONS 23-24 NOV WITH [redacted] AND WORD NOT RECEIVED BY CARRIER. [redacted] HOPES SO. ANY LIGHT HQS CAN SHED ON THE MATTER WILL BE APPRECIATED AS WE MUST SORT THINGS OUT[redacted]

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

* HFD COMMENT: BEING SERVICED FOR CORRECT CITE NUMBER.
HFD COMMENT: CORRECTED COPY TO CHANGE CITE[redacted]VIC[redacted]

END OF MESSAGE ~~SECRET~~

3504

EXHIBIT
DRC #1-48

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

3 x

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC + SSC

C11N 2179/A

UNCLASSIFIED ~~SECRET~~

DO 328 21427
75 938 ~~384~~

## Exhibit DRC-1-49

UNCLASSIFIED

~~SECRET~~

[redacted] C/EUR ACTION

85 [illegible] ASZ PAGE 001 IN 9110344
TOR: 25[redacted]NOV 85 [redacted]

S E C [illegible] T 25[redacted]NOV 85 STAFF

CITE [illegible]

TO: FL[illegible]

[redacted]

SUBJECT: NSC REQUEST

REF: [redacted]

1. ACTION REQUESTED: FLASH RESPONSE SOONEST TO REF AND FOLLOWING.

2. [redacted] MET WITH AMB. [redacted] AT [redacted] URS.. AMBASSADOR WAS ALSO CONVOKED. [redacted] QUITE UPSET [redacted] ULTIPLE FLIGHT PLANS RECEIVED, FACT FIRST FLIGHT CAME DI[redacted] FROM [redacted] AND DID NOT REQUEST CLEARANCE BEFOREHAND AND[redacted] CTING STORIES ABOUT PLANE'S CARGO. [redacted] TOLD [redacted] IT [redacted] INDUSTRY SPARE PARTS, TELEX FROM CARRIER STATED MEDICAL SU[redacted] AND THE PILOT TOLD GROUND CONTROLLERS HE WAS CARRYING MI[redacted] EQUIPMENT.

3. [redacted] CARRIED THE CAN ON THIS S[redacted] T TO INVOLVE AMBASSADOR AND DEPARTMENT (DEMARCHE WILL NOT BE[redacted] ED OTHER THAN IN THIS CHANNEL).

4. BOTTOM LINE IS THAT [redacted] STILL[redacted] TO ASSIST BUT HAS DEVELOPED A LITTLE CYNICISM ABOUT OUR [redacted] ACTION WITH THEM ON THE MATTER. [redacted] AGREED THAT FURTHER FLIGHTS COULD PROCEED SUBSEQUENT TO [redacted] ALSO INSISTS THAT PLANES FOLLOW NORMAL PROCEDURES, I.E. REQUEST OVERFLIGHT CLEARANCE, AND THAT THEY DO NOT SHUTTLE FROM [redacted] AS NOTED [redacted] PLANES MUST NOT COME DIRECTLY FROM [redacted] THEY SHOULD TURN WEST AND PICK UP OTHER ROUTING. EVEN BETTER, WOULD BE NOT TO UTILIZE [redacted] AT ALL. [redacted]

5. ANOTHER MATTER REQUIRING CLARIFICATION IS THE QUESTION O[illegible] AIRCRAFT. [redacted] HAS IMPRESSION FROM PAPERS FILED BY CARRIER THA[illegible] SAME PLANE TO BE UTILIZED AND SHUTTLE FROM [redacted] THAT IS [illegible] [redacted] IMPRESSION FROM EARLIER TRAFFIC. PLS CLARIFY.

6. THE SITUATION NOTED PARA 2 REF, I.E. SECOND FLIGHT [illegible] THIS MORNING DID NOT EVENTUATE. WE NEED, HOWEVER, TO TRY [illegible] EXPLAIN AWAY THE MULTIPLE FILED FLIGHT PLANS., IS IT PROBA[illegible] THEY REPRESENT PLANNING PRIOR TO THE RESTRICTIONS PLACED [illegible] FLIGHTS BY [redacted] IF SO, WAS THERE A BREAKDOWN IN COMMUNIC[illegible] CHARTER CARRIER DID NOT GET THE MESSAGE? THIS IS A POSS[illegible] EXPLANATION [redacted] PRESENTED TO [redacted]

7. IN ANY EVENT, WE ARE GOING TO HAVE TO TRY AND SA[illegible] THE [redacted] POINTS OUT THAT ATTEMPTS TO CIRCUMVENT THE GROUND RULES (EITHER CONSCIOUSLY OR THROUGH POOR COORDINATION) RUNS RISK OF LEAK AND BAD PUBLICITY, HARMFUL MORE TO U.S. THAN [redacted]

Partially Declassified/Released on 12 MAR 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

35C5

EXHIBI
DRC-#1-L

A

7C

329
~~335~~

75 938

REVIEWED FOR RELEASE
20 APR 1987

UNCLASSIFIED

C/IN 2180/RC

21428

# Exhibit DRC-1-50

~~SECRET~~

[redacted]

C/EUR
INCOMING

85 [illegible] ASO PAGE 001 IN 9111281
TOR: 2[redacted]NOV 85 [redacted]

S E C R E T 25[redacted]NOV 85 STAFF

CITE [redacted]

TO: [illegible] [redacted]

SUBJECT: NSC REQUEST

REF: DIRECTOR 627576

1. [redacted]

2. [redacted]

3. [redacted] IS PREPARED TO ARRANGE USE OF [redacted] AIRPORT [redacted]

4. UNLESS THERE IS SOME CONSIDERATION ON YOUR END OF WHICH WE UNAWARE [redacted] SEEMS THE WAY TO GO. IF YOU CONCUR, [redacted] NEEDS MORE DETAILS THAN REF CONTAINS: IDENTIFICATION OF EACH AIRCRAFT; NUMBERS OF PERSONS ABOARD; HOW CARGO IS MANIFESTED; ETAS; ANTIICPATED TIME ON GROUND NEEDS; ETAS FOR RETURN LEGS; WHETHER ANY RON EXPECTED [redacted] NAMES OF PILOTS FOR CLEAR IDENTIFICATION PURPOSES.

5. [redacted]

6. AWAIT YOUR FURTHER INSTRUCTIONS.

REVIEWED FOR RELEASE
Date 20 APR 1987

UNCLASSIFIED

~~SECRET~~

CIIN 2181

350

EXHIBIT
DRC-#1-50

7C

330
21425
75 938

Partially Declassified/Released on 12 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

## Exhibit DRC-1-51

UNCLASSIFIED
~~SECRET~~

C/EUR
ACTION

[redacted]

85 0111331C ASZ [redacted] PAGE 001 IN 0111331 [redacted]
TOR: 25[redacted] NOV 85

S E C R E T 25[redacted] NOV-85 STAFF

CITE [redacted]

TO: [redacted]

SUBJECT: NSC REQUEST

REF: [redacted]

1. [redacted] HAS JUST RECEIVED REQUEST FOR CLEARANCE FOR THREE DC-8 AIRCRAFT TO OVERFLY, (ONE EACH) ON 26, 27, 28 NOVEMBER. AIRCRAFT REGISTERED [redacted] AIRCRAFT FLYING FROM [redacted] TO TEHRAN AND RETURN, WITH CA[redacted]RIBED AS "GENERAL COMMODITIES".

2. [redacted] NOTES THAT AIRCRAFT REPORTE[redacted] WERE DESCRIBED AS 707'S COMING FRO[redacted] AND BELON[redacted] ALONG WIT[redacted] NOW SOMEWHAT CO[redacted]. ARE THE DC-8'S IN PLACE OF THE 707'S [redacted] NOTES F[redacted]AGE THIS SUBJECT TALKS OF DC-8'S AND [redacted]

3. [redacted] URGENTLY REQUIRES SOME[redacted]E INFORMATION ABOUT THE AIRCRAFT SITUATION AND WHAT IS BEING[redacted]INCREASINGLY EDGY AND DOES NOT UNDERSTAND WHAT IS GOING[redacted]HEY FIND IT HARD TO BELIEVE THAT [redacted] IS NOT IN A POSIT[redacted] PROVIDE COHERENT EXPLANATIONS.

4. PLS ADVISE.

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE ~~SECRET~~

(3507)

EXHIBIT
DRC-#1-51

A

7c

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC & SSC

CIIN 2183/A

UNCLASSIFIED DO
~~SECRET~~

21431
331 ~~329~~
75 938

## Exhibit DRC-1-52

UNCLASSIFIED

~~SECRET~~

[redacted] . . . . . . .

C/EUR
OUTGOING

85 81[illegible] ASZ PAGE 001
TOT: 25[redacted]NOV 85 DIRECTOR 628289

S E C R E T
STAFF [redacted] DIRECT[redacted] 628289
TO: [redacted]

SUBJECT: NSC REQUEST

REF: A. [redacted]
B

1. YOU MAY ASSURE [redacted] THAT WE WILL NOT USE [redacted] FOR ANY FURTHER FLIGHTS NOR WILL THERE BE ANY SORTIES UNTIL [redacted] WHAT I NEED TO KNOW IS CAN WE PROCEED WITH A FLIGHT TRANSITTING [redacted] LATE EVENING 27 NOVEMBER/EARLY MORNING 28 NOVEMBER OR WE WAIT UNTIL THE EVENING OF 28 NOVEMBER.

2. PLEASE TELL [redacted] THAT WE ERELY REGRET THE ENORMOUS AMOUNT OF CONFUSION SURROUND AST NIGHT'S SORTIE. YOU ARE INDEED CORRECT THAT PLANS BEI E AT POINT OF THE AIRCRAFT'S ORIGIN WERE OVERTAKEN BY IONS PLACED ON THE FLIGHTS BY [redacted] OUR PROBLEM IS T ARE ONLY BROKERS IN THIS MATTER AND DO NOT HAVE DIRECT MMUNICATIONS WITH THOSE RESPONSIBLE FOR ORIGINATING THE TS OR THE FLIGHT CREWS. THIS IS BASICALLY A COMMERC SACTION AND INVOLVES AIR CHARTER COMPANIES OVER WHICH WE DIRECT CONTROL. MOREOVER, THERE ARE NO AGENCY PERSON THE GROUND AND IN CONTACT WITH THE INDIVIDUALS ORIGINATI THE FLIGHTS. THUS, OUR COMMUNICATIONS WITH THE LATTER ARE SLOW AND TENUOUS AT BEST. THIS WHOLE OPERATION HAD TO BE PUT TOGETHER IN VERY SHORT ORDER AND NOW THAT WE HAVE A COUPLE OF DAYS TO PLAN THE NEXT SORTIE, I THINK WE CAN ASSURE YOU AND YOU IN TURN CAN ASSURE [redacted] THAT THE NEXT SORTIES WILL GO MORE SMOOTHLY AND IN LINE WITH [redacted] REQUIREMENTS.

3. EQUIPMENT ON BOARD IS INDEED SPARES FOR THE OIL INDUSTRY BUT THAT IS NOT TO SAY THAT IT MAY NOT ALSO HAVE SOME SPECIALIZED MEDICAL EQUIPMENT OR SUPPLIES MIXED IN WITH IT. [illegible] SIMPLY CANNOT UNDERSTAND WHY THE PILOT TOLD GROUND CONTROLLERS HE WAS CARRYING MILITARY EQUIPMENT, BUT PERHAPS THAT IS WHAT [illegible] THOUGHT HE WAS TRANSPORTING.

4. I AM VERY INTERESTED IN THE POSSIBILITY OF USING [illegible] IN [redacted] FOR AT LEAST ONE OR MORE OF THE NEXT SORTIES. CAN [redacted] ASSIST US IN ARRANGING FOR THE USE [illegible] THIS FIELD?

5. ALL HERE VERY MUCH APPRECIATE YOUR EFFORTS OVE[illegible] PAST WEEKEND ON THIS VERY IMPORTANT OPERATION. YOU MAY [illegible] [redacted] THAT THEIR COOPERATION IS NOT LOST ON HIGH L[illegible] AUTHORITIES HERE. FINALLY, I ASSUME FROM REF B THAT OUR AMBASSADOR IS FULLY WITTING OF THIS OPERATION. PLEASE CONFIRM SO THAT I MAY ADD HIM TO THE BIGOT LIST AND INFORM THE NSC. BEST REGARDS AND THANKS.

CIIN 21844

REVIEWED FOR RELEASE
[illegible] APR 1987

UNCLASSIFIED

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

350S

EXHIBIT
DRC #1-52

A

7C

332

5 ~~338~~

75 938

## EXHIBIT DRC-1-53

Unclassified

~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [illegible] ASZ PAGE 001
TOT: 25[redacted]NOV 85 DIRECTOR 628303

~~S-E-C-R-E-T~~
STAFF [redacted] DIRECTOR 628303
TO: [redacted]

SUBJECT: NSC MISSION

REF: [redacted]

1. HOPE THAT MESSAGE JUST SENT TO YOU FLASH WILL CLARIFY SOME OF THE CONCERNS IN REF. PLEASE ASSU[redacted]THA[redacted] SHOULD IGNORE REQUEST FOR CLEARANCE CITED REF. THESE ARE AGAIN REQUESTS THAT WERE PUT INTO THE SYSTEM PRIOR TO THE RESTRICTIONS ESTABLISHED B[redacted] ONLY REQUEST FOR CLEARANCE THAT[redacted]SHOULD HONO[redacted]D BE ONES THAT THEY RECEIVE PRIOR NOTIFICATION OF THROUGH[redacted]

2. SORTIE THAT TRANSITTE[redacted]BOUND LAST NIGHT IS PREPARING TO TRANSIT[redacted]WESTBOUND[redacted]E NEXT SEVERAL HOURS. MY UNDERSTANDING IS THAT AIR[redacted] ORIGINAL REQUEST FOR OVERFLIGHT CLEARANCE WAS FOR A RO[redacted]P. AIRCRAFT WILL OF COURSE PROVID[redacted]WITH FLIGHT PLA[redacted]TO DEPARTING IRAN.

3. YOU MAY ADVIS[redacted] TH[redacted]RAFT FROM CHARTER COMPANIES OTHER THAN[redacted]BE USED FOR THIS OPERATION. [redacted] IS O[redacted]UCH.

4.. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY [redacted]

END OF MESSAGE ~~SECRET~~

3509

EXHIBIT
DRC-1-53

A

7C

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 28 APR 1987
NSC+SSC

CIIN 0185/A

UNCLASSIFIED ~~SECRET~~ 00 75 938 21433 5449

333 ~~389~~

## EXHIBIT DRC-1-54

UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [illegible] ASO PAGE 001
TOT: 25[redacted]NOV 85 DIRECTOR 628350

~~S E C R E T~~
STAFF[redacted]DIRECTOR [illegible]350
TO: [redacted]
NIACT [redacted]

[redacted]

SUBJECT: NSC MISSION

REF [redacted]

1. WE ARE DELIGHTED WITH TH[redacted] RESPONSE AND PARTICULARLY LIKE THE USE OF [redacted] AIRFIELD.. THE DETAILS THAT YOU REQUIRE IN PARA 4 REF WILL [redacted] LIED WHEN AVAILABLE AND, OF COURSE, IN ADVANCE OF A FLIG[redacted]

2. IF AT ALL POSSIBLE WE WOUL[redacted] TO HAVE THE AIRCRAFT FILE FROM TEL AVIV FOR A DESTINATION [redacted] OTHER THAN [redacted] BUT, OF COURSE, ACTUALLY LAN[redacted] LATTER POINT. AIRCRAFT WOULD THEN FILE FLIGHT CLEA[redacted] R TABRIZ FROM [redacted] THIS WOULD ALLOW US TO BREA[redacted] TEL AVIV[redacted] TABRIZ LINK. WESTBOUND [redacted] FROM TABRIZ WOULD ALSO FILE FOR DESTINATION IN[redacted] F[redacted] THA[redacted] THIS IS NOT ESSENTIAL BUT IT WOULD B[redacted] SEFUL.

3. [redacted]

4. THE EARLIEST DEPLOYMENT T[redacted] WILL BE EARLY EVENING 27 NOVEMBER BUT THIS IS BY NO MEANS FIRM YET.

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

ORIG: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL B
[redacted]
END OF MESSAGE ~~SECRET~~

3510

EXHIBIT
DRC # 1-54

A

7C

Partially Declassified/Released on 17 [illegible] 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 28 APR 1987

HSC + SSC

UNCLASSIFIED
~~SECRET~~

DO 21434
334
75 938

## Exhibit DRC-1-55

UNCLASSIFIED
~~SECRET~~

C/EUR
OUTGOING

[redacted]

85 9112[redacted] ASZ PAGE 001
TOT: 2[redacted]NOV 85 DIRECTOR 628366

STAF[redacted] DIRECTO[redacted]66
TO: [redacted]

SUBJECT: NSC MISSION

1. [redacted]

2. WE-ARE ASSUMING THAT THE EASTBOUND FLIGHT LAST NIGHT FILED FOR A ROUNDTRIP WITH RETURN DES[redacted] BUT IF IT DID NOT DO SO AND MUST NOW FILE FR[redacted]IZ/TEHRAN, WOULD [redacted] PREFER DESTINATION TO B[redacted]HER THAN [redacted] IF INDEED FORMER CAN HANDLE SUCH AN AIRC[redacted]D AT NIGHT? SHIPPER AND CHARTER AIRCRAFT COMPANI[redacted] NO WAY OF KNOWING FOR SURE WHAT THE FLIGHT CREW DID ON [redacted]D. COMMUNICATIONS WITH THE FLIGHT CREW IN TEHRAN IS AL[redacted]POSSIBLE BUT MAY BE ACCOMPLISHED BY A RATHER CIRCUITOUS RO[redacted]-ABSOLUTELY NECESSARY. CAN [redacted] DETERMINE FO[redacted] THAT A ROUNDTRIP WAS FILED FOR AND, IF NOT, PROVIDE ANS[redacted] ABOVE QUESTION [redacted]

3. NO FILE. DECL OADR DRV HUA[redacted] ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EU[redacted]RRIDGE). CL BY [redacted]

END OF MESSAGE ~~SECRET~~

337

EXHIBIT
DRC* 1-55

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 120 APR 1987
HSC & SSC

A 7C

C11N 2187/A

UNCLASSIFIED
~~SECRET~~

75 938 4 5 1f
10 335 21435

## Exhibit DRC-1-56

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
INCOMING

ACTION: [redacted]

85 [redacted] ASZ [redacted] PAGE 001 IN 9113106 [redacted]
TOR: 2[redacted]NOV 85

SECRET 25[redacted]NOV 85 STAFF

CITE [redacted]

TO: [redacted]

SUBJECT: NSC MISSION

REFS: A. DIRECTOR 628289
B. DIRECTOR 628303

1. VERY MUCH APPRECIATE REFS. [redacted]

2. [redacted] WILL CONSIDER[redacted]BILITY OF SECOND FLIGHT ON 27TH [redacted]

3. AMBASSADOR IS [redacted] HE IS, HOWEVER, REMAINING IN THE BACKGROUND. WHEN I[redacted] MOMENT I WILL ALSO PROVIDE LIST OF [redacted] WHO ARE WITTIN[redacted]IS NOT LARGE.

4. [redacted]

5. [redacted] AIR TRAFFIC CONTROLLERS HAVE CLEARANCE FOR [redacted] 707 TO PERMIT AIRCRAFT OVERFLY[redacted] ON ITS WAY BACK T[redacted] SAY THEY CAN LIVE WITH THIS. AIRCRAFT DID REQUEST AND WAS GIVEN ROUNDTRIP CLEARANCE.

6. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE ~~SECRET~~

3512

EXHIBIT
DRC #1-56

A

7C

REVIEWED FOR RELEASE
Date 20 APR 1987

Partially Declassified/Released on 17AUG87 HSC + SSC
under provisions of E.O. 12356
by B. Reger, National Security Council

C/IN 2188/A

UNCLASSIFIED
~~SECRET~~

DO 21436
336
75 938

## Exhibit DRC-1-57

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
INCOMING

85 91[redacted] ASZ PAGE 001 [redacted]
TOR: 2[redacted]NOV 85

[illegible] 2[redacted]NOV 85 STAFF

CITE [redacted]

TO: FI[redacted]

SUBJECT: NSC MISSION

REFS: A. DIRECTOR 628289
B[redacted]

1. PLEASED TO REPORT THAT[redacted] WE CAN PROCEED WITH A SECOND FLIGHT [redacted] ON 27 RPT 27 NOVEMBER PER REF A.

2[redacted] WILL NEED AS EARLY AS [redacted]LE ALL THE KINDS OF INFORMATION NOTED PARA [redacted]CRAFT'S REQUEST FOR CLEARANCE SHOULD BE FILED GIVING [redacted] FOR NORMA[redacted] RESPONSE [redacted] WISH AVOID GIVING [redacted]CE TO THE UNWITTING THAT SOMETHING SPECIAL GOING ON THERE[redacted]KING POSSIBLE PRESS SPECULATION.

3. [redacted]

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE ~~SECRET~~

3513

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 12 APR 1987
HSC + SSC

EXHIBIT
DRC#1-5

A

7C

C11N 2189/A UNCLASSIFIED DO 21437
~~SECRET~~

## EXHIBIT DRC-1-58

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [redacted] ASZ PAGE 001
TOT: 25[redacted]NOV 85 DIRECTOR 628547

STAFF [redacted] DIRECTO[redacted]547
TO: [redacted]

SUBJECT: NSC MISSION

1. WE NOW HAVE CONFIRMATION [redacted] THAT WE CAN PROCEED WITH FLIGHT THROUGH [redacted] DURING THE EVENING OF 27 NOVEMBER. WE WISH TO STAGE THIS FLIGHT FROM [redacted] HAVE ASKED THAT REQUEST FOR FLIGHT CLEARANCE BE FILED GIVING AMPLE TIME FOR NORMAL [redacted] RESPONSE. THEREFORE, WHAT I NEED FROM YOU NOW IS CONFIRMATION THAT WE CAN STAGE FROM TEL AVIV TO [redacted] AND [redacted] TO TABRIZ TOMORROW. [redacted] ALSO NEED AN ANSWER TO PARA 2 OF THE IMMEDIATE NIACT I SE[redacted] ON THIS SUBJECT FOR WHICH I DO NOT HAVE A DIRECTOR NUMBER[redacted] SAID IN THAT MESSAGE, THE PARA 2 REQUEST IS NOT AB[redacted]LY NECESSARY BUT IT CERTAINLY WOULD BE HELPFUL. PLEASE D[redacted] BEST TO GET A RESPONSE TO THESE QUESTIONS TODAY SO [redacted]E CAN AVOID THE CHINESE FIRE DRILL THAT HAS PLAGUED U[redacted]ATE. I WILL PROVIDE OTHER DATA THAT YOU NEED ON TAIL NUMBE[redacted]LIGHT ROUTES, ETC., ETC., SOMETIME TOMORROW MORNING YOUR [redacted]

2. NO FILE. DECL OADR DRV HU[redacted] ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EU[redacted]RRIDGE). CL BY
[redacted]

END OF MESSAGE

3514.

EXHIBIT
DRC#1-58

...ally Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A
C

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC + SSC

DO 21438

CIIN 2190/A

UNCLASSIFIED
~~SECRET~~

## EXHIBIT DRC-1-59

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 111[redacted] ASZ [redacted] PAGE 001
TOT: 25[redacted] NOV 85 DIRECTOR 628681

STAFF [redacted] DIRECTOR [redacted]
TO: [redacted]

SUBJECT: NSC MISSION

REF.: DIRECTOR 628547

1. IN REF. DIRECTOR 628547. PARA 1 I AM IN ERROR. I NEED CONFIRMATION THAT WE CAN STAGE FROM TEL AVIV TO [redacted] AND [redacted] TO TABRIZ ON 27 NOVEMBER VICE 26 NOVEMBER. SORRY.

2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR; REL: C/EUR (CLARRIDGE) [redacted] BY [redacted]

END OF MESSAGE

[redacted]

3515

EXHIBIT
DRC #1-59

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

7C

CIIN 2191/A

REVIEWED FOR RELEASE
Date 20 APR 1987
HSCA SSC

UNCLASSIFIED
~~SECRET~~

21435

## Exhibit DRC-1-60

UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
INCOMING

85 [illegible] ASZ PAGE 001 IN 9115691
TOR: 2[redacted]NOV 85[redacted]

~~SECRET~~ 25[redacted]NOV 85 STAFF

CITE [illegible]

TO: F[illegible]

[redacted]

SUBJ: NSC MISSION

REF: DIRECTOR 628547

[redacted]1[redacted]AGREES TO 26 NOVEMBER STAGING TEL-AVIV TO [redacted]AND ONWARD AND HAS NO PROBLEM WITH PILOT FILING FOR OTHER[redacted]DESTINATION ON DEPARTING TEL AVIV. (NEITHER OF US ARE CIVIL AVIATION EXPERSTS, AND [redacted]TIONS OF THIS MISNOMER MAY ELUDE US. ASSUME ONCE A[redacted]T LEAVES ISRAELI AIRSPACE THEY DON'T REALLY CARE WHERE[redacted]ES. PROBLEM MAY ARISE WHEN IT ENTERS[redacted]AIRSPACE[redacted]NVINCE FIRST TRAFFIC CONTROLLER ENCOUNTERED THAT IT IS IN[redacted]LEARED TO LAND AT [redacted] THIS IS ESSENTIALLY[redacted]AND THEY MAY WISH DICTATE FLIGHT PLAN ACCORDINGLY. W[redacted]SE.)

2. DIRECTOR 628547 JUST RECD W[redacted]SES THE PROBLEM CONSIDERABLY, AND SCRATCHES OUT TWO [redacted]RAGRAPHS JUST WRITTEN ON BASIS EARLIER 26 NOVEMBER ETA EXC[redacted]N POINT.

3[redacted]HAS MEETING WITH[redacted]AT 1000 26 NOVEMBER IT WOULD BE USEFUL TO HAVE ALL DETAILS [redacted]

4. [redacted]

5. GOODNIGHT. NO NIACT NEEDED YOUR REPLY.

DECL OADR.

END OF MESSAGE ~~SECRET~~

3516

EXHIBIT
DRC#1-6a

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987

HSC & SSC

CIIN 2192/A

DO 21440

~~SECRET~~

UNCLASSIFIED

## EXHIBIT DRC-1-61

[redacted]

85 9[redacted] ASO[redacted]  PAGE 001  IN 5114886
TCR: 25[redacted] NOV 85 [redacted]

~~SECRET~~ 25[redacted] NOV 85 STAFF.

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

WNINTEL
FROM AM[redacted] FOR THE [redacted]ES ONLY

1. [redacted]D LIKE TO TALK ON THE TELEPHONE WITH THE DIRECTOR EITHER TONIGHT OR [redacted]OW MORNING CONCERNING [redacted] MEETING TODAY WITH FOREIGN MINISTRY. U[redacted]NATELY SECURE LINE IS DOWN AND CALL WILL HAVE TO BE MADE ON OPEN LI[redacted]MBASSADOR WILL BE IN HIS RESIDENCE ALL EVENING [redacted] CALL CAN BE PLACED AT ANY TIME. [redacted]

2. [redacted] COMMENT: [redacted] ADVI[redacted] THAT HE HAD BRIEFED [redacted] ABOUT THE NSC OPERATION [redacted]E BEEN WORKING ON DURING THE PAST TWO DAYS. APPARENTLY [redacted] WOULD LIKE TO HEAR FROM YOU PERSONALLY WHETHER THE OPERATIO[redacted]N NSC/MCFARLANE OPERATION, AN AGENCY OPERATION, OR WHAT AND WHETHER [redacted]LIEVE IT WISE TO TRY AGAIN TO GET IT GOING AGAIN FROM [redacted]. REGARDS. DECL OADR DRV HUM 4-82

END OF MESSAGE ~~SECRET~~

3517

EXHIBIT
DRC-1-61

A

0

7C

[illegible] Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

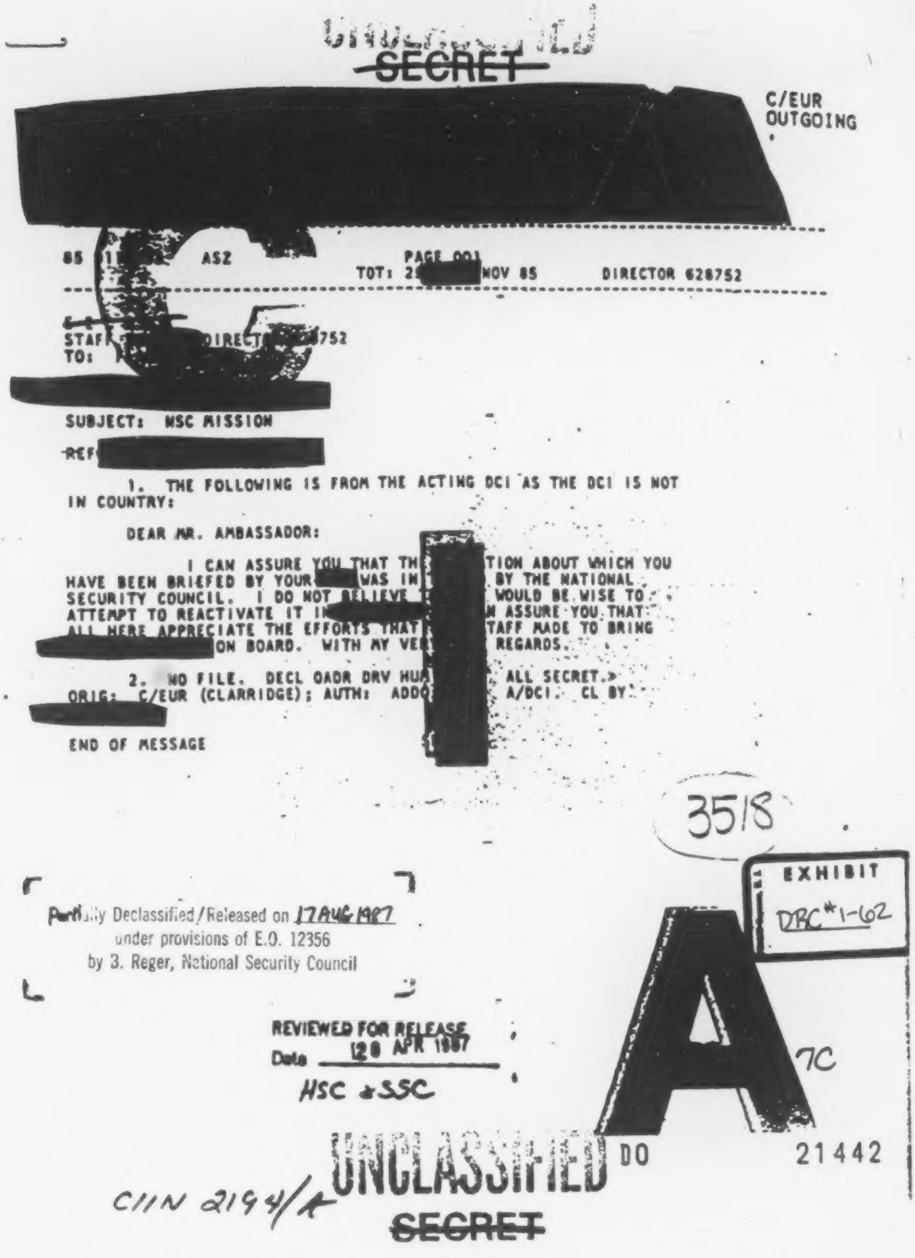
REVIEWED FOR RELEASE
Date 20 APR 1987
HSC • SSC.

DO 21441

C11N 2193/A

UNCLASSIFIED

EXHIBIT DRC-1-62



UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 1[illegible] ASZ PAGE 001
TOT: 2[redacted]NOV 85 DIRECTOR 628752

STAFF [illegible] DIRECT[illegible]752
TO: [illegible]

[redacted]

SUBJECT: NSC MISSION

REF [redacted]

1. THE FOLLOWING IS FROM THE ACTING DCI AS THE DCI IS NOT IN COUNTRY:

DEAR MR. AMBASSADOR:

I CAN ASSURE YOU THAT THE [redacted]TION ABOUT WHICH YOU HAVE BEEN BRIEFED BY YOUR [redacted] WAS IN[redacted] BY THE NATIONAL SECURITY COUNCIL. I DO NOT BELIEVE T[redacted] WOULD BE WISE TO ATTEMPT TO REACTIVATE IT I[redacted]N ASSURE YOU THAT ALL HERE APPRECIATE THE EFFORTS THAT[redacted]TAFF MADE TO BRING [redacted] ON BOARD. WITH MY VE[redacted] REGARDS.

2. NO FILE. DECL OADR DRV HUA[redacted], ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: ADDO[redacted] A/DCI. CL BY:
[redacted]

END OF MESSAGE

3518

EXHIBIT
DRC #1-62

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by 3. Reger, National Security Council

REVIEWED FOR RELEASE
Date 12 8 APR 1987
HSC & SSC

A 7C

DO 21442

CIIN 2194/R

UNCLASSIFIED

~~SECRET~~

## EXHIBIT DRC-1-63

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [redacted] ASO
PAGE 001
TOT: 25[redacted] NOV 85
DIRECTOR 628959

[redacted]
STAFF [redacted] DIRECTOR [redacted]959
TO: [redacted]

who for ?
DACI, NE, EU? [redacted] file

SUBJECT: NSC MISSION

1. NOW THAT I HAVE A MOMENT'S RESPITE FROM SENDING AND ~~RECEIVING~~ FLASH TRAFFIC, LET ME EXPLAIN SOME OF THE FACTORS INVOLVED IN THIS OPERATION WHICH MAY HELP YOU UNDERSTAND THE RATHER BIZARRE MANNER IN WHICH IT IS BEING CONDUCTED. WE ARE ONLY THE BROKERS IN THIS MATTER AND DO NOT HAVE DIRECT RAPID COMMUNICATIONS WITH THOSE RESPONSIBLE FOR ORIGINATING THE FLIGHTS OR THE FLIGHT CREWS. THIS IS BASICALLY A COMMERCIAL ~~TRANSACTION AND INVOLVES AIR CHARTER~~ [redacted] ~~PANIES OVER WHICH WE HAVE NO DIRECT CONTROL.~~ MOREOVER, TH[redacted]E NO AGENCY PERSONNEL ON THE GROUND IN CONTACT W[redacted] INDIVIDUALS ORIGINATING THE FLIGHTS; I.E., [redacted] IS NOT INVOLVED NOR, AS I MENTIONED BEFORE, ARE [redacted] THE ORIGINATORS, THEREFORE, ARE NOT PROFE[redacted]LS IN OUR LINE OF WORK AND COPING WITH THEIR WAYS OF DO[redacted]SINESS AND MESHING THEM WITH OURS IS MUCH OF OUR PROBLEM[redacted]ER TODAY THERE WILL BE AN INDIVIDUAL ARRIVING IN TEL AVIV[redacted]T LEAST HAS A MODICUM OF UNDERSTANDING HOW THIS WHO[redacted]G SHOULD WORK AND BY TOMORROW MORNING. THERE WILL BE A[redacted] INDIVIDUAL THERE [redacted]

hr ?

2. ONE OF THE KEY ELEMENTS FOR [redacted] IS THE REQUIREMENT THAT THEY HAVE AT LEAST A GOOD APPROXIMATION WHEN THE AIRCRAFT IS GOING TO ENTER THEIR AIRSPACE EASTBOUND. THE FLIGHT PLAN FILED BY THE AIRCRAFT SHOULD PROVIDE THIS BUT THERE IS A CHANCE IT WILL NOT REACH [redacted] IN TIME. IF THIS WERE A NORMAL COMMERCIAL FLIGHT, IT PROBABLY WOULDN'T MAKE MUCH DIFFERENCE TO THEM BUT UNDER THE CIRCUMSTANCES IT DOES. THEREFORE, I THINK THAT ONE OF THE MOST USEFUL THINGS YOUR OFFICER AT [redacted] CAN DO IS TO PHONE THIS DATA TO YOU WHEN IT IS AVAILABLE AND YOU CAN PROVIDE IT TO [redacted] BY FLASH PRECEDENCE. THIS SHOULD RELIEVE SOME OF THE IRRITATION ON THE [redacted] END.

35?

EXHIBIT
DRC*1-63

3. THERE WILL PROBABLY BE TWO CHARTER COMPANIES INVOL[redacted] IN THIS AIRLIFT. BESIDES [redacted] WILL ALSO PROBABLY BE INVOLVED. ~~THE LATTER MAY BE~~ [redacted] PROPRIETORY, BUT I AM NOT SURE. HOPE THE AB[redacted] HELPS YOU UNDERSTAND ~~WHAT WE ARE WORKING WITH~~. DON'T HESIT[redacted] TO ASK ANY OTHER QUESTIONS THAT MAY ASSIST YOU. FINAL THO[redacted] THE MATERIAL BEING TRANSPORTED IS SPARES FOR THE OIL INDU[redacted] AND I AM ATTEMPTING TO ENSURE THAT IT IS MANIFESTED AS S[redacted] RATHER THAN UNDER THE RUBRIC OF "MACHINERY" OR "MEDICAL [redacted] STORES." BY DOING SO, WE SEEM TO KEEP GOVERNMENTS FEEL[redacted]RM AND FUZZY.

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY DO

21443

CIIN 2195 REVIEWED FOR RELEASE
120 APR 19

UNCLASSIFIED
~~SECRET~~

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

## Exhibit DRC-1-64

UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
INCOMING

85 [redacted] ASO PAGE 001 [redacted]
TOR: 2[redacted]NOV 85 [redacted]

S E [redacted] 26[redacted]NOV 85 STAFF

CITE [redacted]

TO: IMME[redacted]

SUBJECT: —NSC MISSION

REF: DIRECTOR 628958

1. APPRECIATE REF, WHICH IS JUST ABOUT WHAT I HAD CONCLUDED. T ALSO SUGGESTS THAT THE SIMPLER WE KEEP THING, THE BETTER.

2. [redacted]

3. [redacted] DESTINATION AIRCRAFT SHOULD FILE FOR ON LEAVING TEL AVIV, BUT OUR GUESS IS IT WILL BE THE TRUE ONE, RATHER THAN GET INTO A CHANGE OF ITINERARY ON ENTERING [redacted] AIR SPACE. (WERE IT A SINGLE FLIGHT, THE SWITCH WOULD ATTRACT LITTLE OR NO ATTENTION. FOUR AIRCRAFT, POSSIBLY BELONGING TO MORE THAN ONE COMPANY, ALL FILING CHANGES OF ITINERARY AND REDIRECTING IN MID-AIR TO A MILITARY AIRFIELD IS BOUND TO ATTRACT UNWELCOME NOTICE. FILING FOR THE TRUE DESTINATION ALSO SEEMS TO REDUCE THE PROSP FOR PILOT ERROR, GIVEN THE "UNWITTING" AND APPARANTLY AMATEUR ASPECTS OF ALL THIS.)

4. ADVISE BY FLASH RETURN IF ABOVE CHANGE DOES NOT RPT MEET WITH YOUR APPROVAL. OTHERWISE, WILL ADVISE YOU FURTHE [redacted]

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE ~~SECRET~~

3560

EXHIBIT
DRC*1-64

A

Partially Declassified/Released on 27 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC & SSC

DO

21444

UNCLASSIFIED

~~SECRET~~

## Exhibit DRC-1-65

~~SECRET~~

[redacted] ...... C/EUR INCOMING

85 9122[illegible] A50 PAGE 001 IN 9122501
TOR: 26[redacted] NOV 85 [redacted]

~~S E C R E T~~ 26[redacted] NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: DCM MEETING WITH FOREIGN MINISTRY

FROM DCM

1. DCM [redacted] CALLED TO FOREIGN MINISTRY NOVEMBER 25 AND GIVEN TWO NOTES [redacted] TRANSLATIONS PROVIDED IN PARAS 8 AND 9. NOTE ACTION REQUESTED PARA 7.

2. [redacted] SAID ESSENTIAL POINT WAS THAT THE PROPOSED OPERATION WAS SO DIRECTLY IN CONFLICT WITH KNOWN U.S. POLICY AND [redacted] POLICY THAT THE GOVERNMENT NEEDED THE WRITTEN ASSURANCES THAT THE OPERATION WAS FOR HUMANITARIAN REASONS AND WAS DESIGNED TO GAIN THE RELEASE OF AMERICAN CITIZENS. HE SAID HE WANTED TO EMPASIZE THAT WITH THESE ASSURANCES [redacted] HAD BEEN PREPARED TO APPROVE THE OPERATION. IT REMAINED PREPARED TO DO SO.

3. THE DCM SAID THAT WHILE THE DESIRE OF [redacted] FOR WRITTEN ASSURANCES WAS UNDERSTANDABLE, [redacted] SHOULD UNDERSTAND THAT THE ACTIONS OF [redacted] ON NOVEMBER 22 AND 23 GAVE THE IMPRESSION TO SOME THAT [redacted] WAS STALLING, ESPECIALLY SINCE MR. MCFARLANE HAD THE DISTINCT IMPRESSION THAT THE FOREIGN MINISTER HAD GIVEN HIM A GREEN LIGHT ON THE NIGHT OF THE 22ND. THE SUBSEQUENT INSISTENCE ON A NOTE HAD BEEN DISQUIETING. THE DEMAND FOR A SECOND NOTE CONVINCED THOSE MANAGING THE OPERATION THAT [redacted]DUCTED FOR THE HUMANITARIAN PURPOSE OF ASSISTING AMERICAN CITIZENS IN TROUBLE. [redacted] SAID HE COULD NOT MAKE A JUDGEMENT. MOREOVER, THE FOREIGN MINISTER WAS IN BRUSSELS.

3521

5. DCM THEN NOTED THAT AMBASSADOR [redacted] WAS SCHEDULED TO CALL ON THE PRIME MINISTER AFTERNOON OF NOVEMBER 26. [redacted] SAID THAT IF U.S. STILL INTERESTED, THE MEETING WITH THE PRIME MINISTER WOULD PROVIDE EXCELLENT OPPORTUNITY TO GET PM'S AGREEMENT.

6. AMBASSADOR'S CALL IS SET FOR 4:30PM LOCAL TIME. IF NSC HAS NOT FOUND ALTERNATIVE MEANS AND IF THERE IS STILL INTEREST [redacted] COOPERATION, WE BELIEVE MEETING OFFERS EXCELLENT OPPORTUNITY TO GET IT.

EXHIBIT
DRC #1-65

7. PLEASE ADVISE US AT OPENING OF BUSINESS NOV 26 IF THERE IS ANY INTEREST IN REVIVING [redacted] COOPERATION AND IF SO ON WHAT TERMS.

6 7

8. [redacted] "THE MINISTRY OF FOREIGN AFFAIRS PRESENTS ITS COMPLIMENTS TO THE EMBASSY OF THE UNITED STATES OF AMERICA AND IN REFERENCE TO THE EMBASSY'S NOTES [redacted] OF NOVEMBER 23 AND TO OTHER COMMUNICATIONS IN OTHER CHANNELS ON THE SAME SUBJECT, CANNOT HELP BUT BE AMAZED BY THE MANNER IN WHICH THE MATTER WAS CONDUCTED BY NORTH AMERICAN AUTHORITIES.

DO -23372

~~SECRET~~

UNCLASSIFIED

REVIEWED FOR RELEASE
22 JUN 1987

Partially Declassified/Released on 12 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

~~SECRET~~
UNCLASSIFIED

85 9122501 ASO PAGE 002 IN 9122501
TOR: 2[redacted] NOV 85 [redacted]

"IN EFFECT, AND AS IS KNOWN BY THE EMBASSY, [redacted] DESPITE THE FACT THAT IT HAD INITIALLY BEEN MADE AWARE OF THE OPERATION IN QUESTION VIA PRIVATE CHANNELS, WHCIH ARE CLEARLY DICATED TO THE SECURITY ADVISOR OF THE PRESIDENT OF THE UNITED STATES, IN THE LIGHT OF THE GOOD RELATIONS THAT EXIST BETWEEN OUR TWO COUNTRIES AND IN ACCORDANCE WITH THE WILLINGNESS [redacted] TO PROVIDE RAPID RESPONSES IN SUCH CASES.

"IN VIEW OF THE FOREGOING, THE EMBASSY WILL NOT BE SHOCKED BY THE SURPRISE WITH WHICH [redacted] RECEIVE [redacted] WHICH, AS CAN BE SEEN, ALTERED A PROCESS WHICH WAS MOVING WITH ALL POSSIBLE SPEED AND IN CONFORMITY WITH WHAT HAD BEEN AGREED.

"THE MINISTRY OF FOREIGN AFFAIRS TAKES THE OPPORTUNITY TO RENEW TO THE EMBASSY OF THE UNITED STATES OF AMERICA THE ASSURANCES OF ITS HIGHEST CONSIDERATION."

9. [redacted] "THE MINISTRY OF FOREIGN AFFAIRS PRESENTS ITS COMPLIMENTS TO THE EMBASSY OF THE UNITED STATES OF AMERICA AND IS SUPPLEMENTING NOTE [redacted] OF TODAY HAS THE HONOR TO COMMUNICATE THE FOLLOWING.

"THE MINISTRY OF FOREIGN AFFAIRS BELIEVES IT IS NECESSARY TO RECALL THE ESSENTIAL ELEMENTS OF THE EFFORTS MADE WITH RELATION TO THE PROPOSED TRANSFER [redacted] OF DEFENSE MATERIAL DESTINED FOR IRAN.

"ON THE AFTERNOON OF NOVEMBER 2, THE [redacted], INFORMED THE MINISTRY OF FOREIGN AFFAIRS THAT IT HAD BEEN ASKED TO "ASSIST IN THE TRANSIT OF DEFENSE IT HAD "WITH THE ADMINISTRATION OF THE U.S." THE COMPANY SAID THE MATERIAL TO BE TRANSFERRED WOULD ARRIVE [redacted] THE FOLLOWING DAY TO BE TRANSPORTED BY TWO AIRCRAFT.

"NO INDICATION WAS PROVIDED WITH REGARD TO THE IDENTIFICATION OF THE MATERIAL, NOR TO THE AIRCRAFT, MUCH LESS TO THE MANNER IN WHICH THE MATERIAL TO BE TRANSPORTED WOULD ARRIVE [redacted]

"THE CIRCUMSTANCES, IN ADDITION TO THE IMPORTANT REFERENCE TO CONTACTS OF [redacted] WITH THE AMERICAN ADMINISTRATION, CAUSED THE MINISTRY TO RAISE IT WITH EMBASSY [redacted] THE FOLLOWING MORNING. HE SAID HE KNEW NOTHING OF THE PROJECTED OPERATION.

"ON FRIDAY AFTERNOON NOVEMBER 22, MR MCFARLANE, NATIONAL SECURITY ADVISOR TO THE PRESIDENT OF THE USA, TRIED TO CONTACT THE FOREIGN MINISTER. HE WAS ABLE TO DO SO ONLY THAT NIGHT.

"THE MINISTER OF FOREIGN AFFAIRS TOLD MR. MCFARLANE THAT IT WOULD BE NECESSARY TO RECEIVE AN URGENT NOTE FROM THE EMBASSY TO BE PRESENTED BY THE CHARGE. AFTER THAT, IT WOULD RECEIVE PROMPT AND URGENT CONSIDERATION.

"SATURDAY MORNING NOVEMBER 23, THE CHARGE DELIVERED TO THE MINISTRY OF FOREIGN AFFAIRS NOTE [redacted] WITH THAT INFORMATION. INASMUCH AS THAT NOTE OMITTED INFORMATION WITH REGARD TO THE CARGO WHICH HAD ALREADY BEEN MENTIONED ORALLY WITH REGARD TO THE AIRCRAFT HUMANITARIAN MOTIVES RELATED TO THE DETENTION OF AMERICAN CITIZENS.

"ACCORDING TO THE EMBASSY, SUCH A NOTE WOULD BE DELIVERED TO THE MINISTRY THAT EVERNING, NOVEMBER 23.

7

~~SECRET~~
UNCLASSIFIED
REVIEWED FOR RELEASE
DATE 24 JUN 1987
10

CIIN 21991A

UNCLASSIFIED
~~SECRET~~

[illegible]00 PM. THE CHARGE OF THE USA WAS RECEIVED BY THE ACTING [redacted] FOREIGN MINISTRY WHO WAS SUPPOSED TO RECEIVE

FROM [illegible]
THE AGREED NOTE.

[illegible]TOTALLY CONTRARY TO WHAT WAS ANTICIPATED, AND TO THE GREAT SURPRISE OF THE MINISTER OF FOREIGN AFFAIRS, WHO IMMEDIATELY RECEIVED THE CHARGE [illegible] NOTE, TOTALLY DIFFERENT FROM WHAT WAS EXPECTED EXPRESSING [illegible] THAT THE GOVERNMENT [redacted] WAS UNABLE TO FUFILL THE REQUEST OF THE GOVERNMENT OF THE UNITED STATES FOR THE HUMANITARIAN MISSION REFERRED TO IN EMBASSY NOTE NO. [redacted] WAS PRESENTED RIGHT IN THE MIDDLE OF FULL SCALE EFFORTS DESIGNED TO . PROVIDE THE ALREADY REFERRED TO "PROMPT AND URGENT" SOLUTION.

"IN THIS REGARD IT IS NECESSARY TO RECALL AND TO EMPHASIZE CLEARLY AND SURELY THAT IT HAD BEEN CLEARLY AGREED THAT A PROMPT AND URGENT RESPONSE WOULD BE GIVEN ON THE BASIS OF AN EMBASSY NOTE MENTIONING THE REAONS FOR THE MISSION. SUCH A NOTE WAS NOT PROVIDED AS EXPECTED.

-"THE MINISTRY OF FOREIGN AFFAIRS TAKES THE OPPORTUNITY TO RENEW TO THE EMBASSY OF THE USA THE ASSURANCES OF ITS HIGHEST CONSIDERATION."

10. NO FILE. DECL OADR DRV HUM [illegible] ALL SECRET
END OF MESSAGE

REVIEWED FOR RELEASE
DATE 24 JUN 1987
HSC + SSC

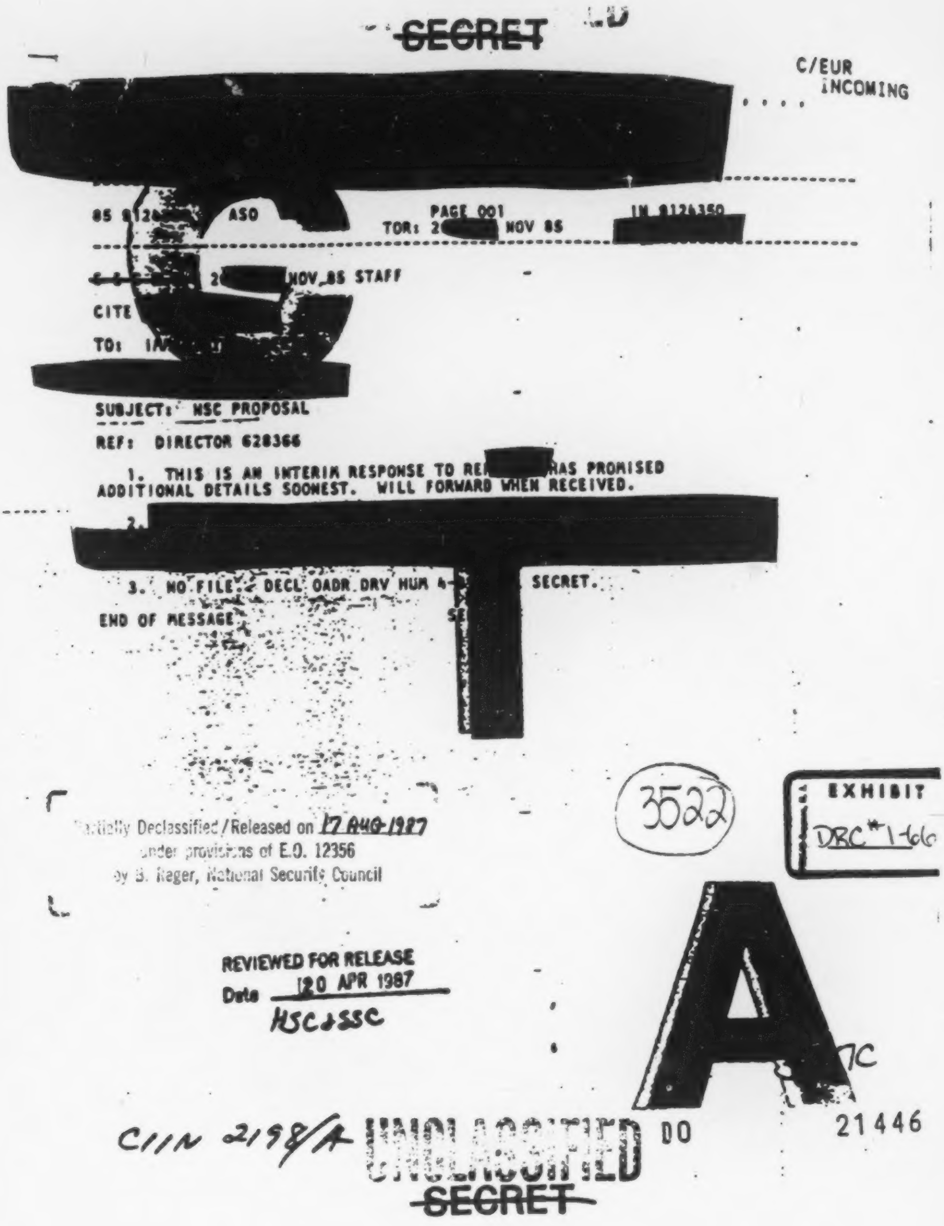
7

UNCLASSIFIED
~~SECRET~~

0 23570

C11N[redacted]2199/A

## Exhibit DRC-1-66



~~SECRET~~

[redacted]

C/EUR
INCOMING

85 [redacted] ASO PAGE 001 IN 8124350
TOR: 2[redacted] NOV 85 [redacted]

[redacted] 2[redacted] NOV 85 STAFF

CITE [redacted]

TO: IA[redacted]

[redacted]

SUBJECT: NSC PROPOSAL

REF: DIRECTOR 628366

1. THIS IS AN INTERIM RESPONSE TO REF[redacted] HAS PROMISED ADDITIONAL DETAILS SOONEST. WILL FORWARD WHEN RECEIVED.

2. [redacted]

3. NO FILE. DECL OADR DRV HUM 4-[redacted] SECRET.

END OF MESSAGE SE[redacted]

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3522

EXHIBIT
DRC*1-66

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC&SSC

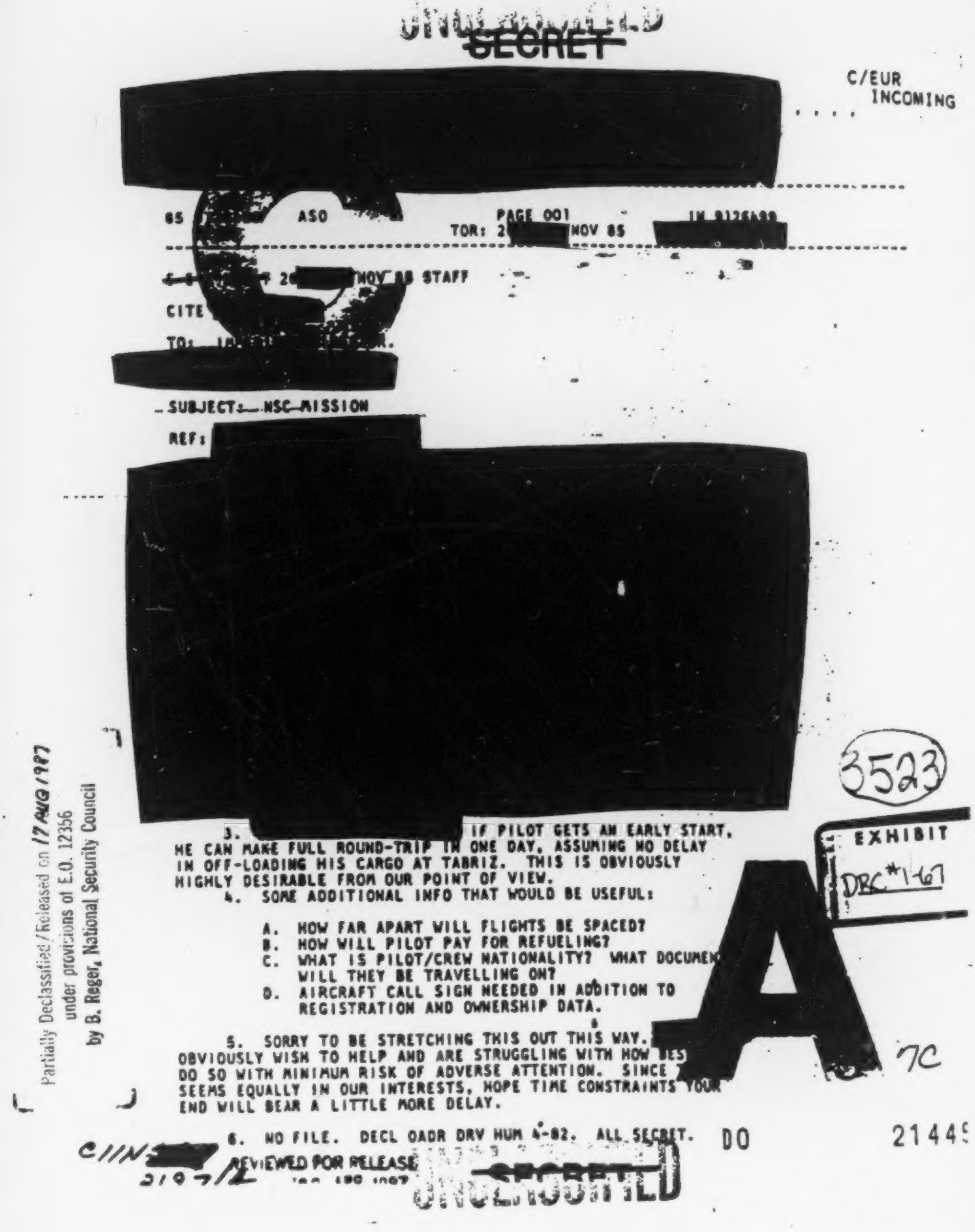
[redacted]

7C

CIIN 2198/A UNCLASSIFIED DO 21446

~~SECRET~~

EXHIBIT DRC-1-67



UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
INCOMING

85 [illegible] ASO PAGE 001 IN [illegible]
TOR: 2[redacted] NOV 85 [redacted]

[illegible] 2[redacted] NOV 85 STAFF

CITE [illegible]

TO: [illegible]

[redacted]

SUBJECT: NSC MISSION

REF: [redacted]

[redacted]

3. [redacted] IF PILOT GETS AN EARLY START, HE CAN MAKE FULL ROUND-TRIP IN ONE DAY, ASSUMING NO DELAY IN OFF-LOADING HIS CARGO AT TABRIZ. THIS IS OBVIOUSLY HIGHLY DESIRABLE FROM OUR POINT OF VIEW.

4. SOME ADDITIONAL INFO THAT WOULD BE USEFUL:

A. HOW FAR APART WILL FLIGHTS BE SPACED?
B. HOW WILL PILOT PAY FOR REFUELING?
C. WHAT IS PILOT/CREW NATIONALITY? WHAT DOCUMEN[illegible] WILL THEY BE TRAVELLING ON?
D. AIRCRAFT CALL SIGN NEEDED IN ADDITION TO REGISTRATION AND OWNERSHIP DATA.

5. SORRY TO BE STRETCHING THIS OUT THIS WAY. [illegible] OBVIOUSLY WISH TO HELP AND ARE STRUGGLING WITH HOW BES[illegible] DO SO WITH MINIMUM RISK OF ADVERSE ATTENTION. SINCE [illegible] SEEMS EQUALLY IN OUR INTERESTS, HOPE TIME CONSTRAINTS YOUR END WILL BEAR A LITTLE MORE DELAY.

6. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

DO

2144

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3523

EXHIBIT
DRC *1-67

A

7C

C11N[redacted]
2197/2

REVIEWED FOR RELEASE
[illegible] 1987

~~SECRET~~
UNCLASSIFIED

Document

Exhibit DRC # 1-68

Deleted in its
Entirety

35a4

## Exhibit DRC-1-69

~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [illegible]132081 [redacted] PAGE 001
TOT: 27 [redacted] NOV 85 DIRECTOR 631009

~~S E C R E T~~
STAFF 27 [redacted] DIRECTOR 631009
TO: IMMEDIATE [redacted]

[redacted]

SUBJECT: DCM MEETING WITH FOREIGN MINISTRY

TO DCM FROM C/EUR

1. OPERATION IS STILL ON. WE ARE REGROUPING. WILL ADVISE ADDITIONAL DETAILS TOMORROW.

2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: CDO [redacted] AT DIRECTION OF C/EUR.<

END OF MESSAGE

[redacted]

3525

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC #1-69

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC & SSC

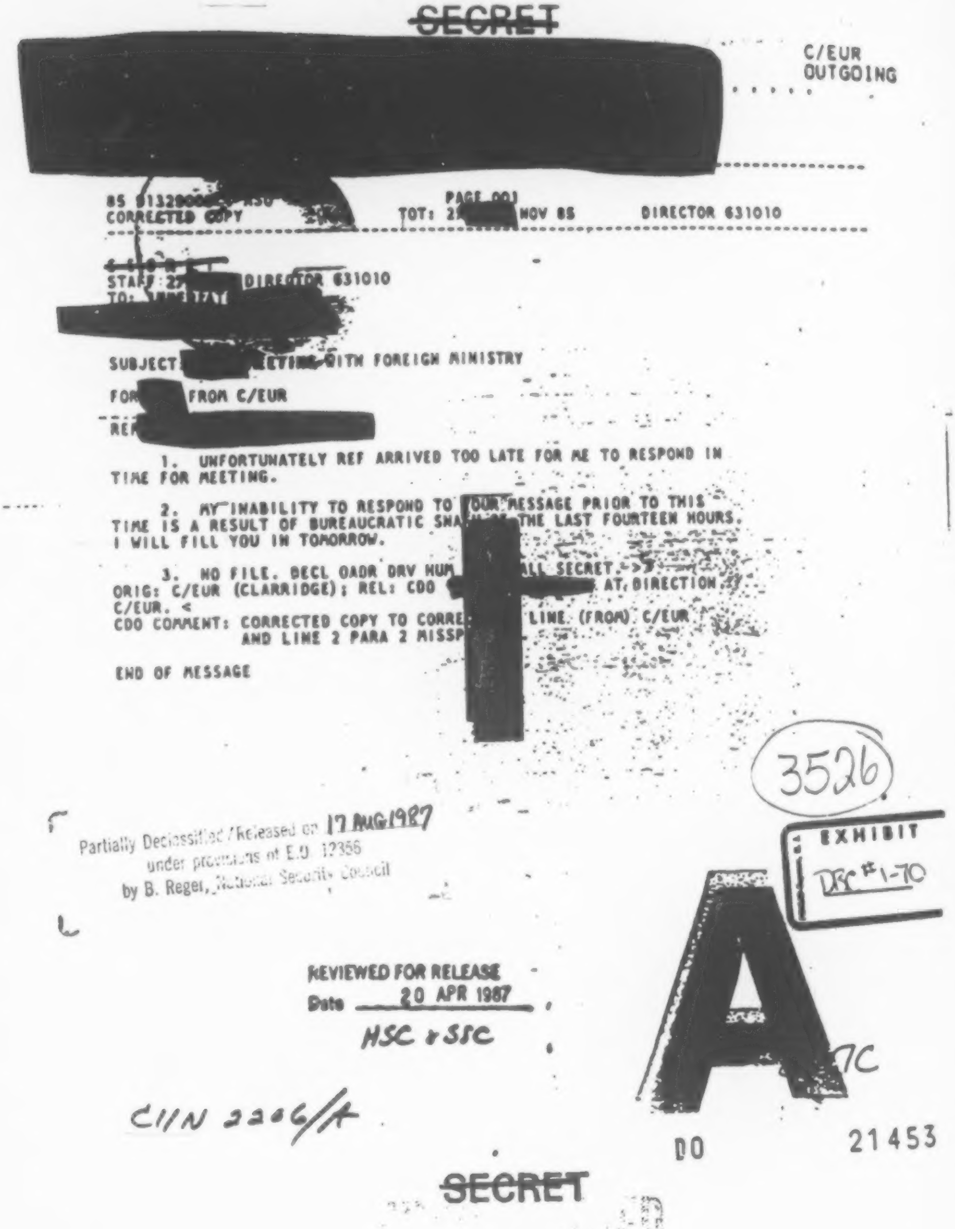
A JC

C11N 2205/A

DO 21452

~~SECRET~~

## Exhibit DRC-1-70



~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [redacted]
CORRECTED COPY [redacted]

PAGE 001
TOT: 2[redacted] NOV 85

DIRECTOR 631010

STAFF 2[redacted] DIRECTOR 631010
TO: [redacted]

SUBJECT: [redacted]EETING WITH FOREIGN MINISTRY

FOR[redacted] FROM C/EUR

REF[redacted]

1. UNFORTUNATELY REF ARRIVED TOO LATE FOR ME TO RESPOND IN TIME FOR MEETING.

2. MY INABILITY TO RESPOND TO [redacted] MESSAGE PRIOR TO THIS TIME IS A RESULT OF BUREAUCRATIC SNA[redacted] THE LAST FOURTEEN HOURS. I WILL FILL YOU IN TOMORROW.

3. NO FILE. DECL OADR DRV HUM [redacted] ALL SECRET. ->
ORIG: C/EUR (CLARRIDGE); REL: CDO [redacted] AT DIRECTION C/EUR. <
CDO COMMENT: CORRECTED COPY TO CORRE[redacted] LINE (FROM) C/EUR
AND LINE 2 PARA 2 MISSP[redacted]

END OF MESSAGE

3526

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC #1-70

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

A

C11N 2206/A

DO 21453

~~SECRET~~

## Exhibit DRC-1-71

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
INCOMING

85 9134711 ASO PAGE 001 IN 9134711
TOR: 27[redacted]NOV 85 [redacted]

~~SECRET~~ 27[redacted]NOV-85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

NIACT DIRECTOR

[redacted]

SUBJECT: NSC MISSION

REFS: A. [redacted]
B. DIRECTOR 628289

1. PLEASE ADVISE IF A FLIGHT IS [redacted]LANNED FOR LATE EVENING 27 NOVEMBER OR EARLY MORNING 28 NOVE ER REFS.

2. NEW OR RELATED SUBJECT: DIRE 1009 IS SOMEWHAT CONFUSING. DOES IT RELATE TO THE SA INITIATIVE?

3. NO FILE. DECL OADR DRV HUM ALL SECRET.

END OF MESSAGE

3507

EXHIBIT
DRC*1-71

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

A 7C

DO 21454

CIIN 2207/A

UNCLASSIFIED
~~SECRET~~

## EXHIBIT DRC-1-72

~~SECRET~~

UNCLASSIFIED

[redacted]

C/EUR
OUTGOING

85 [redacted] ASO PAGE 001
TOT: 2[redacted] NOV 85 DIRECTOR 631110

STAFF 27[redacted] DIRECTOR 631110
TO: I[redacted]

NIACT [redacted]

[redacted]

SUBJECT: NSC MISSION

REFS: A. [redacted]
B. DIRECTOR 631009

1. NO FLIGHT PLANNED FOR 27 OR 28 NOVEMBER. AS MENTIONED IN REF B. OPERATION IS STILL ON BUT WE HAVE ENCOUNTERED DELAYS.

2. REF B SUBJECT LINE IN ERROR. [redacted] HOULD HAVE BEEN NSC MISSION. SORRY FOR THE CONFUSION.

3. NO FILE. DECL OADR DRV HUM ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: CDO DIRECTION C/EUR).<

END OF MESSAGE

3520

EXHIBIT
DRC#1-72

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC + SSC

A 7C

S//N 2208/A

DO 21455

~~SECRET~~

UNCLASSIFIED

## EXHIBIT DRC-1-73

UNCLASSIFIED ~~SECRET~~

[redacted]

C/EUR
OUTGOING

```
85 135023   ASO                 PAGE 001
                         TOT: 22[redacted] NOV 85      DIRECTOR 631112
--------------------------------------------------------------------------
SECRET
STAFF 22[redacted] DIRECTOR 631112
TO: [redacted]
[redacted]

SUBJECT: NSC AISSI

REF DIRECTOR 631009

     1.  REF SUBJECT LINE IN ERROR.  PLEASE CORRECT TO READ
NSC MISSION.  SORRY FOR THE CONFUSION.

     2.  NO FILE. DECL OADR DRV HUM 4-82.  ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: CDO [redacted] AT DIRECTION C/EUR).<

END OF MESSAGE
```

[redacted]

3509

EXHIBIT
DRC-1-73

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

CHN 2203 UNCLASSIFIED ~~SECRET~~

## EXHIBIT DRC-1-74

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
INCOMING

85 1362728 ASO PAGE 001 IN 01362728
TOR: 2[redacted]NOV 85 [redacted]

S E C R E T 27[redacted] NOV 85 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR INFO IMMEDIAT[redacted]

NIACT [redacted]

[redacted]

SUBJECT: NSC OPERATION

REF: [redacted]

1. [redacted]
ARRANGEMENTS HAVE BEEN MADE FOR AIRCRA[redacted] TRANSIT[redacted]
WITHOUT PILOT/COMPANY HAVING TO MAKE[redacted]DUAL PRIOR REQUEST.
[redacted]
[redacted] NEEDS NOW IS ETA AN[redacted]OPRIATE IDENTIFYING
DATA.

2. [redacted]

3. WE'RE READY WHEN YOU ARE.

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

HR COMMENT: RELAYED INFO IMMEDIATE NIACT[redacted]PER DIR 631683.

END OF MESSAGE ~~SECRET~~

3530

EXHIBIT
DRC #1-74

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A
7C

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

DO 21456

C11N 2209/A

UNCLASSIFIED
~~SECRET~~

## Exhibit DRC-1-75

UN~~SECRET~~CLASSIFIED

[redacted]

C/EUR
INCOMING

85 [illegible] ASO PAGE 001 IN 9138145
TOR: 2[redacted] NOV 85 [redacted]

~~S E C R E T~~ 22[redacted] NOV 85 STAFF

CITE [illegible]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: NSC MISSION

REFS: A. [redacted]
B. DIRECTOR 628366

1. [redacted]

2. USE OF [redacted] WOULD REQUIRE SO[illegible]DINATION, SO WE WILL NEED SOME LEAD TIME.

3. NO FILE. DECL OADR DRV HUM 4 [illegible]LL SECRET.

END OF MESSAGE

3531

EXHIBIT
DRC #1-75

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

A 7C

CIIN 2210/A

DO 21457

UN~~SECRET~~CLASSIFIED

## Exhibit DRC-1-76

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
OUTGOING

```
85 [redacted]      ASO               PAGE 001
                          TOT: 27[redacted]NOV 85        DIRECTOR 631532
```

~~S E C R E T~~
STAFF 27[redacted] DIRECTOR 631532
TO: IMMEDIATE [redacted]

[redacted]

SUBJECT: QUESTION REGARDING REVIVING [redacted] COOPERATION

REF: A. [redacted]
B. DIRECTOR 631010

DCM FROM CHIEF/EUR

1. AS I EXPLAINED IN REF B, REF A ARRIVED TOO LATE FOR ME TO OBTAIN AN ANSWER FOR THE AMBASSADOR'S MEETING WITH THE PRIME MINISTER. FURTHER, I WAS UNABLE TO [redacted]DVISE YOU OF THIS BECAUSE OF CERTAIN GLITCHES ON THIS END THAT [redacted] TO BE REMEDIED.

2. THE FOLLOWING WERE THE INST[redacted]S WHICH I RECEIVED FROM THE NSC THAT I WAS UNABLE TO TR[redacted]O YOU. THEY ARE STILL REPEAT STILL VALID FOR USE BY [redacted]ASSADOR.

THE NSC ASKS THAT THE A[redacted]R NOT RAISE THE ISSUE WITH PRIME MINISTER.S HOWEVER, [redacted]LATTER RAISES IT HIMSELF AND INDICATES THAT [redacted] PREPARED TO COOPERATE, THE AMBASSADOR SHOULD SAY [redacted]E WELCOMES THE OFFER BUT CANNOT ACCEPT IF IT INVOLVES A F[redacted]OTE. NO MATTER WHAT THE OUTCOME OF THE DISCUSSIONS, THE [redacted]OR SHOULD END BY SAYING THAT HE WILL REPORT [redacted]SITION TO WASHINGTON AND REQUEST INSTRUCTIONS."

3. PLEASE ASK THE AMBASSADOR TO PROVIDE ALL OF HIS REPORTING IN THIS CHANNEL AND WE WILL PASS EXPEDITIOUSLY TO THE NSC WHO IN TURN WILL INFORM APPROPRIATE INDIVIDUALS IN THE DEPARTMENT OF STATE.

4. LET ME PERSONALLY THANK YOU FOR ALL OF YOUR EFFORTS OF THE LAST SEVERAL DAYS. I KNOW IT HAS NOT BEEN EASY AND I ASSURE YOU THAT APPROPRIATE AUTHORITIES HERE ARE WELL AWARE OF WHAT YOU HAVE TRIED TO DO AND APPRECIATE IT.

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); AUTH: ; REL: C/EUR (CLARRIDGE)
BY [redacted]
END OF MESSAGE ~~SECRET~~

EXHIBIT
DRC-#1-76

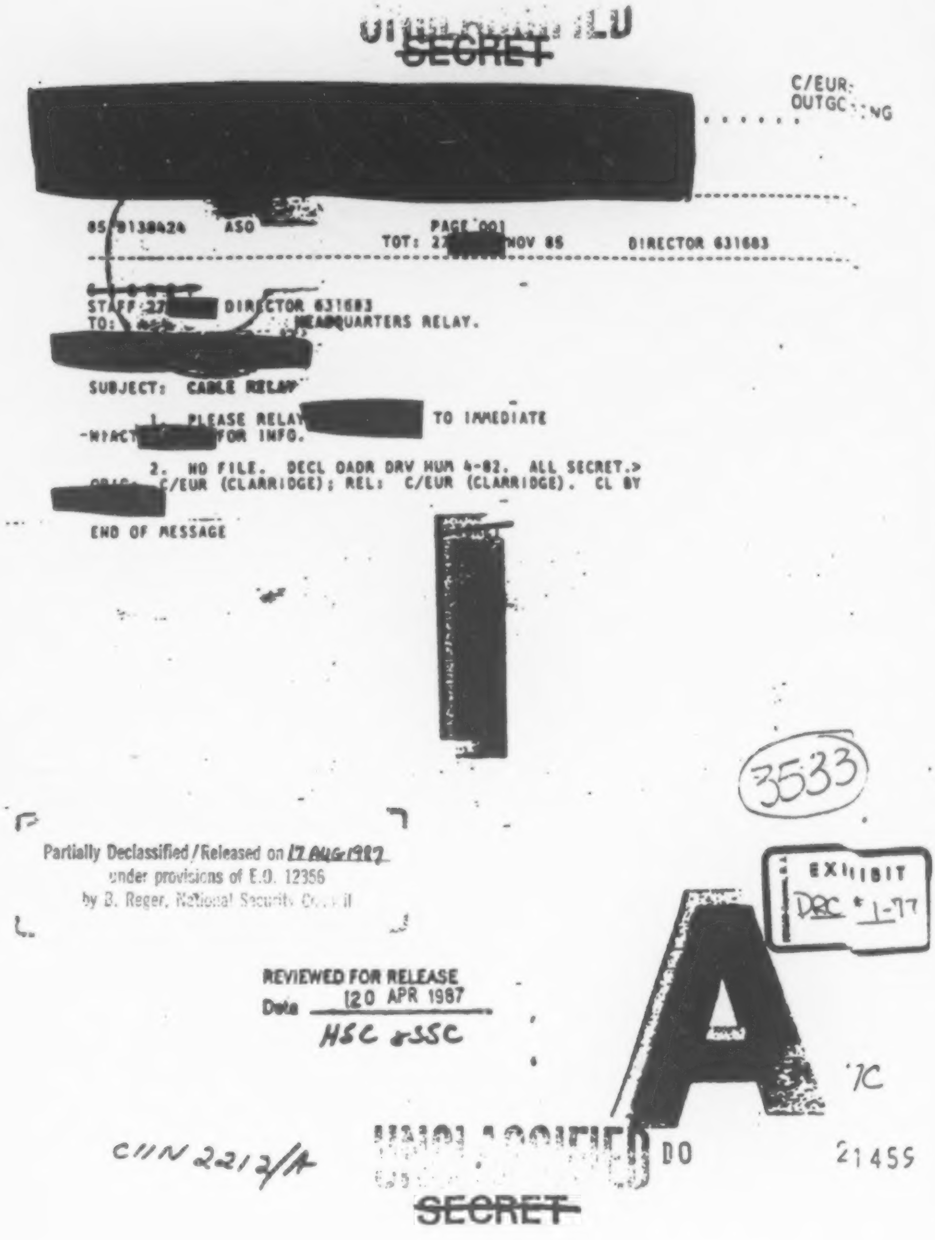
A 7C

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

C11N 2211/A UNCLASSIFIED ~~SECRET~~ DO 21458

## Exhibit DRC-1-77



UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR:
OUTGOING

85 0138424 ASO [redacted] PAGE 001
TOT: 27[redacted]NOV 85 DIRECTOR 631683

STAFF 27[redacted] DIRECTOR 631683
TO: HEADQUARTERS RELAY.
[redacted]

SUBJECT: CABLE RELAY

1. PLEASE RELAY [redacted] TO IMMEDIATE -WNACT [redacted] FOR INFO.

2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY
[redacted]

END OF MESSAGE

[redacted]

3533

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC # 1-77

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

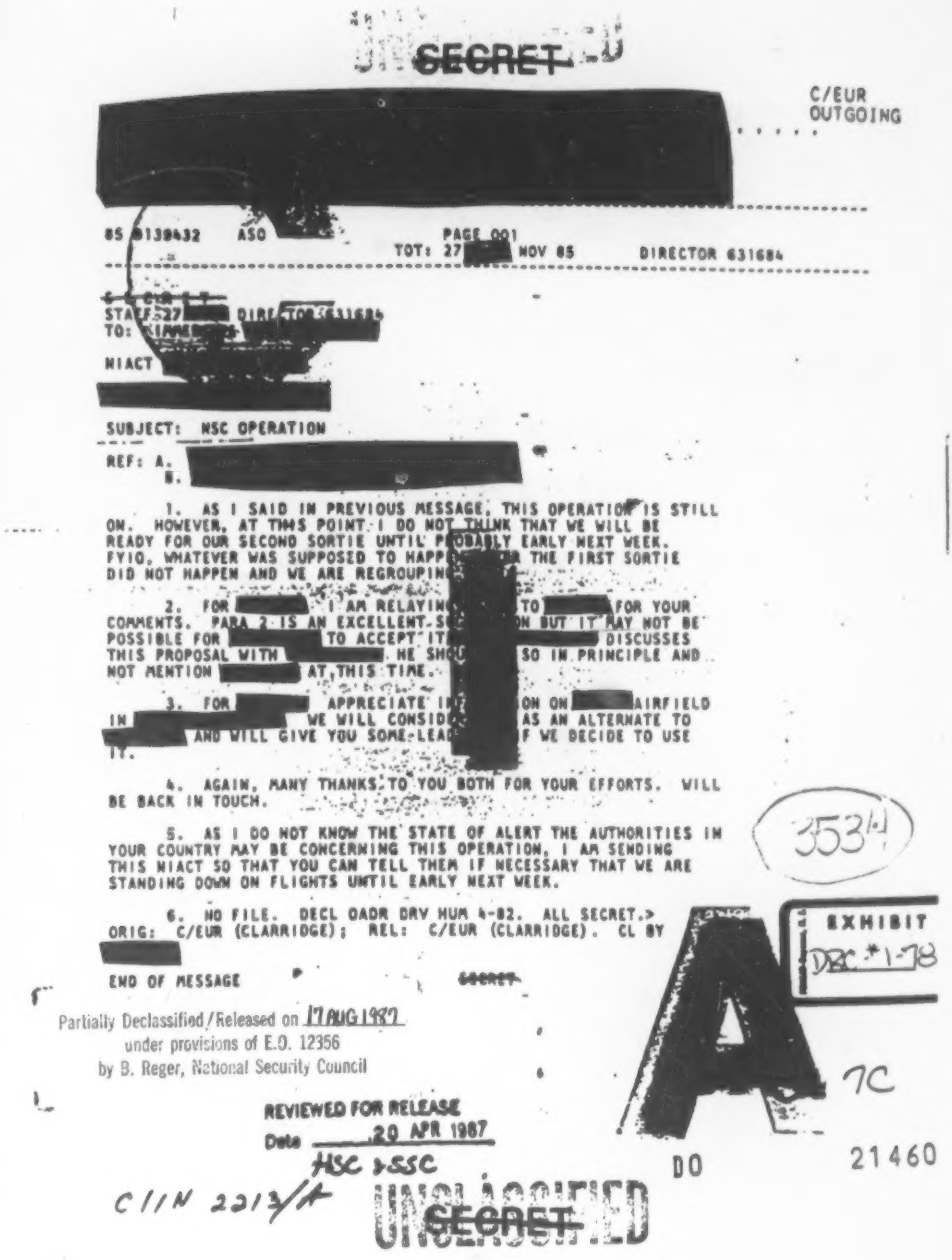
A

7C

C11N 2212/A

UNCLASSIFIED DO 21459
~~SECRET~~

## Exhibit DRC-1-78



UNCLASSIFIED ~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [illegible]139432 ASO [redacted] PAGE 001
TOT: 27[redacted] NOV 85 DIRECTOR 631684

~~S E C R E T~~
STAFF 27[redacted] DIRECTOR 631684
TO: [redacted]
NIACT [redacted]

[redacted]

SUBJECT: NSC OPERATION

REF: A. [redacted]
B.

1. AS I SAID IN PREVIOUS MESSAGE, THIS OPERATION IS STILL ON. HOWEVER, AT THIS POINT I DO NOT THINK THAT WE WILL BE READY FOR OUR SECOND SORTIE UNTIL PROBABLY EARLY NEXT WEEK. FYIO, WHATEVER WAS SUPPOSED TO HAPP[redacted]ER THE FIRST SORTIE DID NOT HAPPEN AND WE ARE REGROUPIN[redacted]

2. FOR [redacted] I AM RELAYIN[redacted] TO [redacted] FOR YOUR COMMENTS. PARA 2 IS AN EXCELLENT S[redacted]ON BUT IT MAY NOT BE POSSIBLE FOR [redacted] TO ACCEPT IT[redacted] DISCUSSES THIS PROPOSAL WITH [redacted]. HE SHO[redacted] SO IN PRINCIPLE AND NOT MENTION [redacted] AT THIS TIME.

3. FOR [redacted] APPRECIATE I[redacted]ON ON [redacted] AIRFIELD IN [redacted] WE WILL CONSID[redacted] AS AN ALTERNATE TO [redacted] AND WILL GIVE YOU SOME LEA[redacted]F WE DECIDE TO USE IT.

4. AGAIN, MANY THANKS TO YOU BOTH FOR YOUR EFFORTS. WILL BE BACK IN TOUCH.

5. AS I DO NOT KNOW THE STATE OF ALERT THE AUTHORITIES IN YOUR COUNTRY MAY BE CONCERNING THIS OPERATION, I AM SENDING THIS NIACT SO THAT YOU CAN TELL THEM IF NECESSARY THAT WE ARE STANDING DOWN ON FLIGHTS UNTIL EARLY NEXT WEEK.

6. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY [redacted]

END OF MESSAGE ~~SECRET~~

3534

EXHIBIT
DRC #1-78

A

7C

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

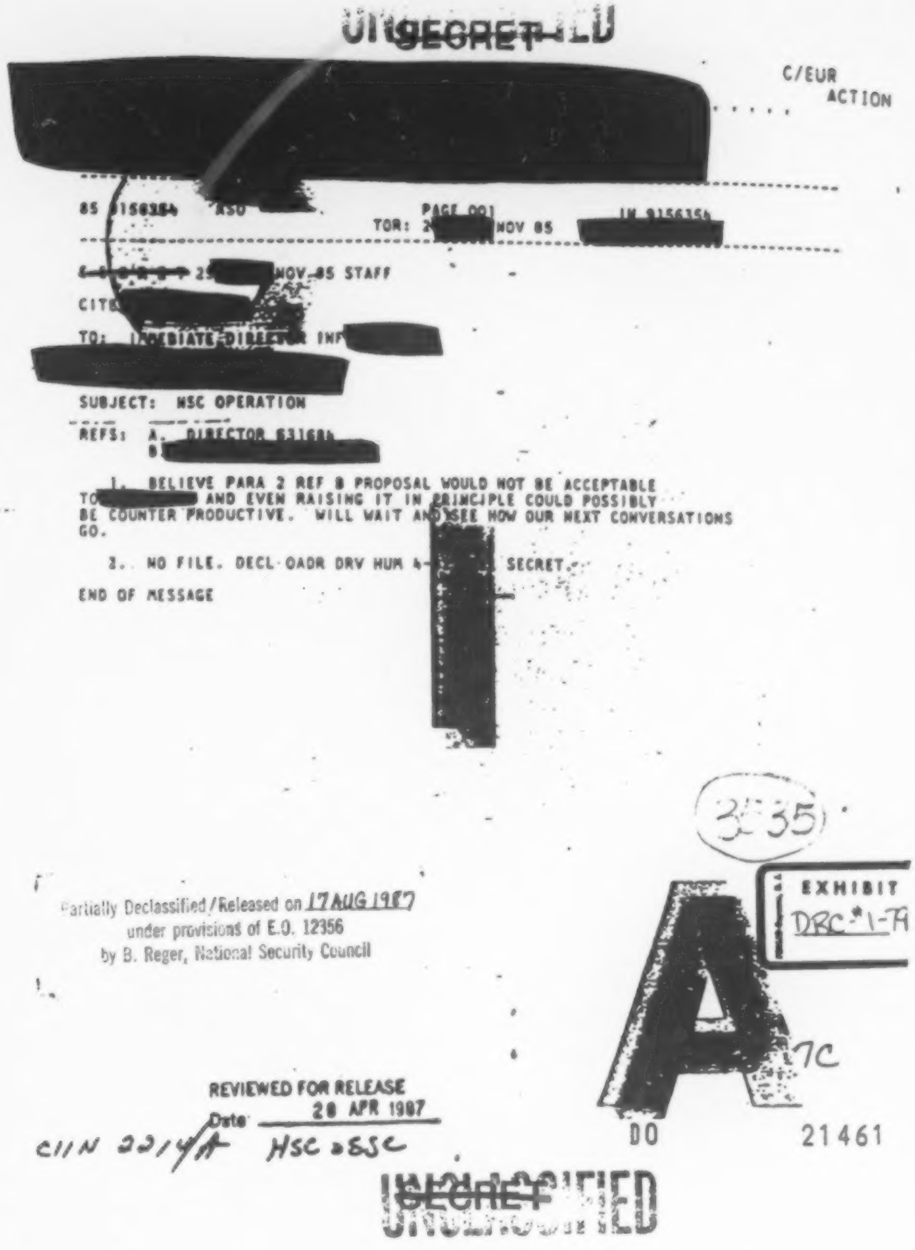
REVIEWED FOR RELEASE
Date 20 APR 1987
HSC + SSC

DO 21460

C11N 2213/A

UNCLASSIFIED ~~SECRET~~

## EXHIBIT DRC-1-79



UNCLASSIFIED

~~SECRET~~

[redacted]

C/EUR
ACTION

85 0156384 ASO [redacted]. PAGE 001 IN 0156356
TOR: 2[redacted] NOV 85 [redacted]

~~S E C R E T~~ 25[redacted] NOV 85 STAFF

CIT[redacted]

TO: IMMEDIATE DIRECTOR INF[redacted]

[redacted]

SUBJECT: NSC OPERATION

REFS: A. DIRECTOR 631686
B [redacted]

1. BELIEVE PARA 2 REF B PROPOSAL WOULD NOT BE ACCEPTABLE TO [redacted] AND EVEN RAISING IT IN PRINCIPLE COULD POSSIBLY BE COUNTER PRODUCTIVE. WILL WAIT AND SEE HOW OUR NEXT CONVERSATIONS GO.

2. NO FILE. DECL OADR DRV HUM 4-[redacted] SECRET.

END OF MESSAGE

3535

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC-*1-79

A

7C

REVIEWED FOR RELEASE
Date 28 APR 1987

C11N 2214/A HSC-SSC

DO 21461

~~SECRET~~

UNCLASSIFIED

## Exhibit DRC-1-80

~~SECRET~~ UNCLASSIFIED

[redacted]

C/EUR
OUTGOING

85 [illegible]192600 ASR [redacted] PAGE 001
TOT: 03 [redacted] DEC 85 DIRECTOR 638740

~~S-E-C-R-E-T~~
STAFF 03 [redacted] DIRECTOR 638740
TO: [redacted]

SUBJECT: NSC OPERATION -- UPDATE

REF: DIRECTOR 631684

1. WE ARE STILL REGROUPING. KEY MEETING OF PRINCIPALS WILL TAKE PLACE THIS WEEKEND WITH EARLIEST POSSIBLE AIRCRAFT DEPLOYMENTS SOMETIME MID TO LATE WEEK OF 8 DECEMBER.

2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: C/EUR [redacted] (CLARRIDGE). CL BY [redacted]

END OF MESSAGE

3536

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC #1-80

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC & SSC

A 7C

C11N2215/A

DO 21462

~~SECRET~~ UNCLASSIFIED

## EXHIBIT DRC-1-81

UNCLASSIFIED
~~SECRET~~

[redacted]

C/EUR
ACTION

85 [redacted] ASO PAGE 001 IN 9259251
TOR: 10[redacted] DEC 85 [redacted]

[redacted] 10 DEC 85 STAFF

AC/E

CITE

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: NSC OPERATION

REF: DIRECTOR 631684

1. I'M AFRAID THE CONTINUED DELAY IN THIS MATTER MAY CAUSE SOME DECOMPRESSION IN OUR ARRANGEMENTS HERE, ESPECIALLY AS WE APPROACH THE HOLIDAYS. APPRECIATE MATTERS ARE NOT IN YOUR HANDS BUT WILL WELCOME ANY INDICATION YOU [redacted]VIDE AS TO WHERE THEY NOW STAND.

2. NO FILE., DECL OADR DRV HUM [redacted] ALL SECRET.

END OF MESSAGE

3537

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC-*1-8

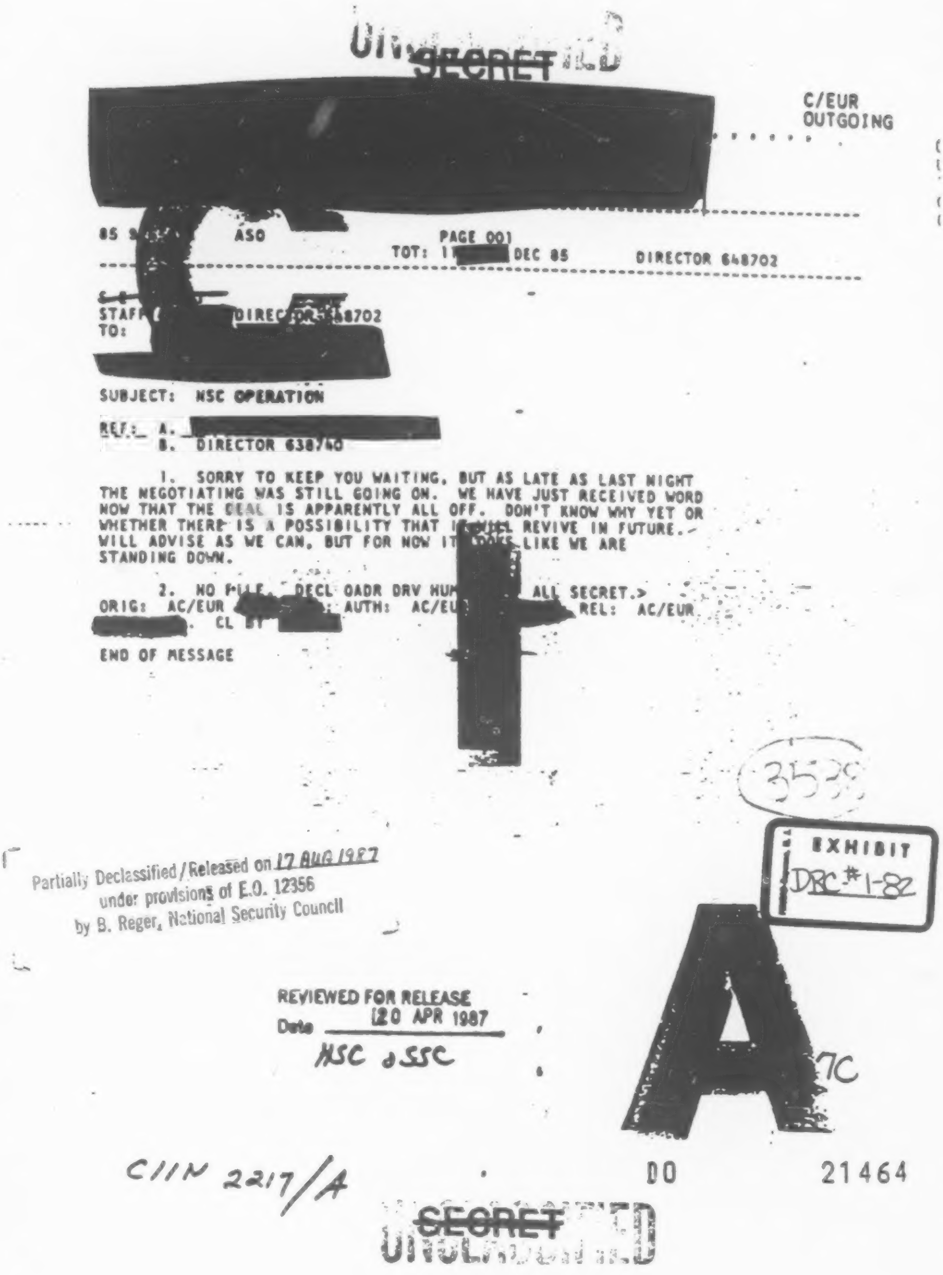
A
7C

REVIEWED FOR RELEASE
Date 20 APR 1987
HSC & SSC

C/IN 2216/A

UNCLASSIFIED DO 21463
~~SECRET~~

## Exhibit DRC-1-82



UNCLASSIFIED ~~SECRET~~

[redacted]

C/EUR
OUTGOING

85 [redacted] ASO PAGE 001
TOT: 1[redacted] DEC 85 DIRECTOR 648702

STAFF [redacted] DIREC[redacted]8702
TO: [redacted]

SUBJECT: NSC OPERATION

REF: A. [redacted]
B. DIRECTOR 638740

1. SORRY TO KEEP YOU WAITING, BUT AS LATE AS LAST NIGHT THE NEGOTIATING WAS STILL GOING ON. WE HAVE JUST RECEIVED WORD NOW THAT THE DEAL IS APPARENTLY ALL OFF. DON'T KNOW WHY YET OR WHETHER THERE IS A POSSIBILITY THAT I[redacted] REVIVE IN FUTURE. WILL ADVISE AS WE CAN, BUT FOR NOW IT [redacted] LIKE WE ARE STANDING DOWN.

2. NO FILE. DECL OADR DRV HUM [redacted] ALL SECRET.>
ORIG: AC/EUR [redacted]; AUTH: AC/EU[redacted] REL: AC/EUR
[redacted]. CL BY [redacted]

END OF MESSAGE

3538

EXHIBIT
DRC #1-82

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 20 APR 1987
NSC & SSC

A 7C

C11N 2217/A

DO 21464

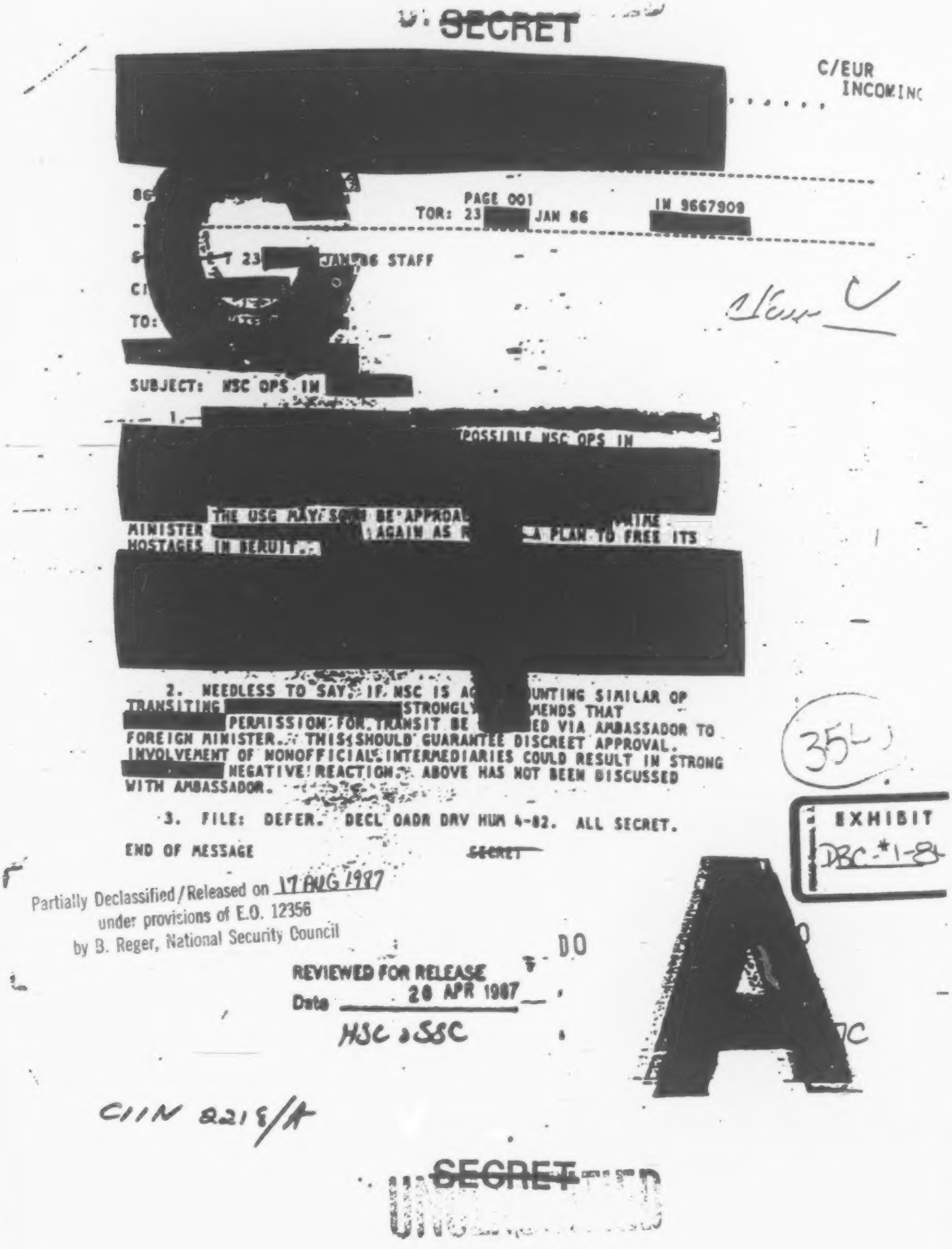
UNCLASSIFIED ~~SECRET~~

Document

Exhibit DRC #1-83

Deleted in its Entirety (3539)

## EXHIBIT DRC-1-84



~~SECRET~~

[redacted]

C/EUR
INCOMIN

86 PAGE 001
TOR: 23 [redacted] JAN 86 IN 9667909 [redacted]

S T 23 [redacted] JAN 86 STAFF

C[illegible]

TO: [illegible]

[redacted]

Clear ✓

SUBJECT: NSC OPS IN [redacted]

1. [redacted] POSSIBLE NSC OPS IN [redacted] THE USG MAY SOON BE APPROA[redacted]IME MINISTER [redacted] AGAIN AS R[redacted] A PLAN TO FREE ITS HOSTAGES IN BERUIT. [redacted]

2. NEEDLESS TO SAY, IF NSC IS AC[redacted]UNTING SIMILAR OP TRANSITING [redacted] STRONGLY [redacted]MENDS THAT [redacted] PERMISSION FOR TRANSIT BE [redacted]ED VIA AMBASSADOR TO FOREIGN MINISTER. THIS SHOULD GUARANTEE DISCREET APPROVAL. INVOLVEMENT OF NONOFFICIAL INTERMEDIARIES COULD RESULT IN STRONG [redacted] NEGATIVE REACTION. ABOVE HAS NOT BEEN DISCUSSED WITH AMBASSADOR.

3. FILE: DEFER. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE ~~SECRET~~

35

EXHIBIT
DRC-*1-84

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

DO

REVIEWED FOR RELEASE
Date 28 APR 1987
NSC & SSC

C11N 8218/A

~~SECRET~~

UNC[illegible]D

# EXHIBIT DRC-2

EXHIBIT
DRC-2

Foc

359

UNCLASSIFIED

TEXT OF TELEGRAM [redacted]

ADP433
~~SECRET~~

PAGE 01 [redacted] 221213Z
ACTION SS-25

INFO LOG-00 COPY 01 ADS-00 SS0-00 /026 W
------------------272514 221416Z /46

R 221212Z NOV 85
FM AMEMBASSY [redacted]
TO SECSTATE WASHDC 9779

S E C R E T [redacted]

[redacted]

E.O. 12356: DECL: OADR
TAGS: PREL, IR, IZ
SUBJECT: ALLEGED ISRAELI TRANSSHIPMENT OF ARMS
- TO IRAN

1. ~~SECRET~~ - ENTIRE TEXT.

2. DURING DISCUSSION WITH A/DCM NOVEMBER 21 MFA
[redacted] RAISED ISSUE OF
ARMS SALES TO IRAN. [redacted] SAID THAT MFA SECRETARY
[redacted] RECEIVED A CALL NOVEMBER 20
[redacted] THE
FROM A MANAGER
[redacted] MANAGER STATED THAT HE HOPED FOREIGN MINISTRY
AUTHORIZATION WOULD BE GIVEN FOR TWO AIRCRAFT TO
TRANSIT [redacted] THEY WOULD BE CARRYING ARMS
PROVIDED BY ISRAEL FOR IRAN. [redacted] SAID THAT THE
[redacted] OFFICIAL (APPARENTLY ACTING AS BROKER FOR THE
ARMS DEAL) REFERRED TO AN "AMERICAN GENERAL" INVOLVED
IN THE UNDERTAKING AND TO CLOSE RELATIONS OF [redacted]
WITH THE U.S. [redacted] WONDERED IF THE EMBASSY HAD
INFORMATION ABOUT THIS STRANGE CASE PERHAPS INVOLVING
A RETIRED U.S. GENERAL.

3. A/DCM REPLIED THAT THE POTENTIAL SHIPMENT WAS
CERTAINLY NEWS. NOR WERE WE AWARE OF ANY AMERICAN
SECRET
SECRET

PAGE 02 [redacted] 221213Z

CONNECTION. A/DCM REITERATED STRONG U.S. OPPOSITION
TO ARMS SALES TO IRAN AND RECALLED THE MANY DIS-
CUSSIONS WITH [redacted] INCLUDING [redacted]
[redacted] LENGTHY BRIEFING OF FORMIN
LAST SPRING. [redacted] STATED THAT
POSITION HAD BEEN CLEAR AS WELL - LIMITED SALES OF [redacted]
AMMUNITION FROM
WOULD CONTINUE, BUT [redacted] WOULD DENY OTHER ITEMS
OR TRANSSHIPMENT OF WAR MATERIEL FOR IRAN. REGARDING

PAGE NO

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3541

SC03304

UNCLASSIFIED

UNCLASSIFIED

TEXT OF TELEGRAM [redacted]

THE CASE IN QUESTION, [redacted] SAID THAT NO OFFICIAL REQUEST FOR AUTHORIZATION HAD BEEN MADE TO THE MFA IF THERE IS A REQUEST IT WILL BE REJECTED. ALTHOUGH [redacted] ACKNOWLEDGED THAT SOME TRANSSHIPMENTS MAY HAVE TAKEN PLACE WITHOUT FOREIGN MINISTRY KNOWLEDGE, ITS AUTHORIZATION IS NECESSARY FOR LEGAL TRANSSHIPMENT. IN THIS PARTICULAR CASE IT WILL NOT BE GIVEN, AND IN [redacted] THE PROPOSED TRANSSHIPMENT WILL NOT OCCUR.

[redacted]

~~SECRET~~

NNNN

UNCLASSIFIED

# EXHIBIT DRC-3

117

N 28726

[redacted]

Secord , [redacted] and the Charge continue to seek clearance for A/C from Israel which can land and proceed. Despite the difficulties of the past 24 hours, all continue to believe that if RCM can get thru to [redacted] [redacted] that this can be done.

We continue to explore three options:

-- Charter a new A/C to pick up the cargo in Tel Aviv (TA) and deliver it to [redacted] for xfer to the three Chartered DC-8s for the flight to Tabriz (T).

-- Fly the 3 chartered A/C direct to TA, p/u the cargo, fly to [redacted] refile for T from [redacted]

-- Fly the three chartered A/C directly to TA, load cargo, proceed directly to T w/o filing until airborne and in [redacted] FIR.

All continue to believe (including Kimche) that option one is only realistic solution. Other options compromise origins and risk eventual uncovering of many operational details Kimche urges that solution be found to matter this weekend to protect hostages and those who will deliver them.

UPDATE AS OF 1810:

RCM contacted [redacted] at 1730. [redacted] has agreed to have A/C fm TA land at [redacted] Dewey has arranged for a proprietary to work for Secord (Copp). Copp will charter two 707s in the name of LAKE Resources (our Swiss Co.) and have them p/u the cargo and deliver it to [redacted] At [redacted] the cargo will be xfered to the three Israeli chartered DC-8/55s for the flight to T. Though I am sure Copp suspects, he does not know that the 707s belong to a proprietary. Clarridge deserves a medal - - so does Copp.

Kimche (DK) has been told how screwed up his people are in planning something like this on such short notice. Not only was the 747 they planned to use a national airlines a/c, but they only had it chartered for 14hrs. We have now taken charge of that phase of the operation and are making direct contact [redacted] to ensure flight clearance for the three DC-8s chartered by DK's boys. If all goes as we now hope, the cargo will be in [redacted] by noon (local) and enroute to T shortly after dark. That means we can expect handovers (hopefully) Saturday night.

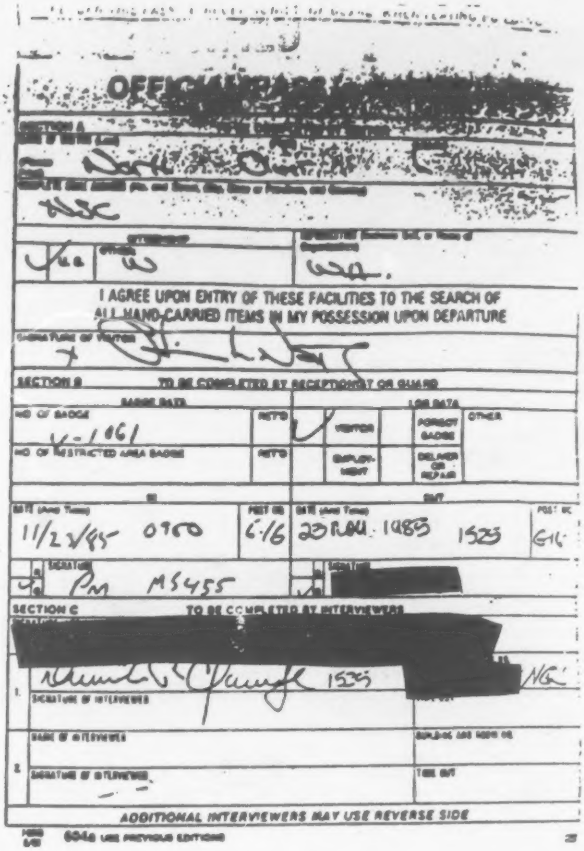
3542

EXHIBIT
DRC-3

UPDATE AS OF 1900:
Unbelievable as it may seem, I have just talked to Schwimmer, in TA who advises that they have released their DC-8s in spite of my call to DK instructing that they be put on hold until we could iron out the

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

## Exhibit DRC–4



OFFICIAL PASS [illegible]

SECTION A

North [illegible]

NSC

| | | |
|---|---|---|
| ✓ U.S. | OTHER W | WH. |

I AGREE UPON ENTRY OF THESE FACILITIES TO THE SEARCH OF ALL HAND-CARRIED ITEMS IN MY POSSESSION UPON DEPARTURE

SIGNATURE OF VISITOR x

SECTION B TO BE COMPLETED BY RECEPTIONIST OR GUARD

| BADGE DATA | | LOG DATA | | | | |
|---|---|---|---|---|---|---|
| NO. OF BADGE V-1061 | RET'D | ✓ | VISITOR | | FORGOT BADGE | OTHER |
| NO. OF RESTRICTED AREA BADGE | RET'D | | EMPLOYMENT | | DELIVER OR REPAIR | |

| IN | | OUT | |
|---|---|---|---|
| DATE (And Time) 11/22/85 0950 | POST NO. 6-16 | DATE (And Time) 22 NOV. 1985 1525 | POST NO. G16 |
| ✓ SIGNATURE PM MS455 | | ✓ SIGNATURE [redacted] | |

SECTION C TO BE COMPLETED BY INTERVIEWERS

[redacted]

1. 1535 [redacted] NG

SIGNATURE OF INTERVIEWEE

2. NAME OF INTERVIEWER — BUILDING AND ROOM NO.

SIGNATURE OF INTERVIEWEE — TIME OUT

ADDITIONAL INTERVIEWERS MAY USE REVERSE SIDE

604a USE PREVIOUS EDITIONS

3543

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC-4

CIIN#10

**OFFICIAL PASS** 2395

SECTION A TO BE COMPLETED BY VISITOR

NAME OF VISITOR (Last) (First)

North Oliver [illegible]

COMPLETE HOME ADDRESS

NSC

CITIZENSHIP

✓ U.S. OTHER

WH.

I AGREE UPON ENTRY OF THESE FACILITIES TO THE SEARCH OF ALL HAND-CARRIED ITEMS IN MY POSSESSION UPON DEPARTURE

SIGNATURE OF VISITOR L. North

SECTION B TO BE COMPLETED BY RECEPTIONIST OR GUARD

| BADGE DATA | | LOG DATA | | | |
|---|---|---|---|---|---|
| NO. OF BADGE V-0698 | RET'D | ✓ | VISITOR | FORGOT BADGE | OTHER |
| NO. OF RESTRICTED AREA BADGE | RET'D | | EMPLOYMENT | DELIVER OR REPAIR | |

| IN | | OUT | |
|---|---|---|---|
| DATE (And Time) 11-24-85 2039 | POST NO. G2 | DATE (And Time) 11-24-85 21.40 | POST NO. G |
| SIGNATURE G.C. MT634 | | SIGNATURE G.C MT634 | |

SECTION C TO BE COMPLETED BY INTERVIEWERS

SIGNATURE AND BADGE NO. OF PERSON VERIFYING CLIENT AS THIS UNIT Charles E Allen [redacted]

1. NAME OF INTERVIEWER Charles E. Allen

SIGNATURE OF INTERVIEWER

2. NAME OF INTERVIEWER

BUILDING AND ROOM NO.

SIGNATURE OF INTERVIEWER

TIME OUT

ADDITIONAL INTERVIEWERS MAY USE REVERSE SIDE

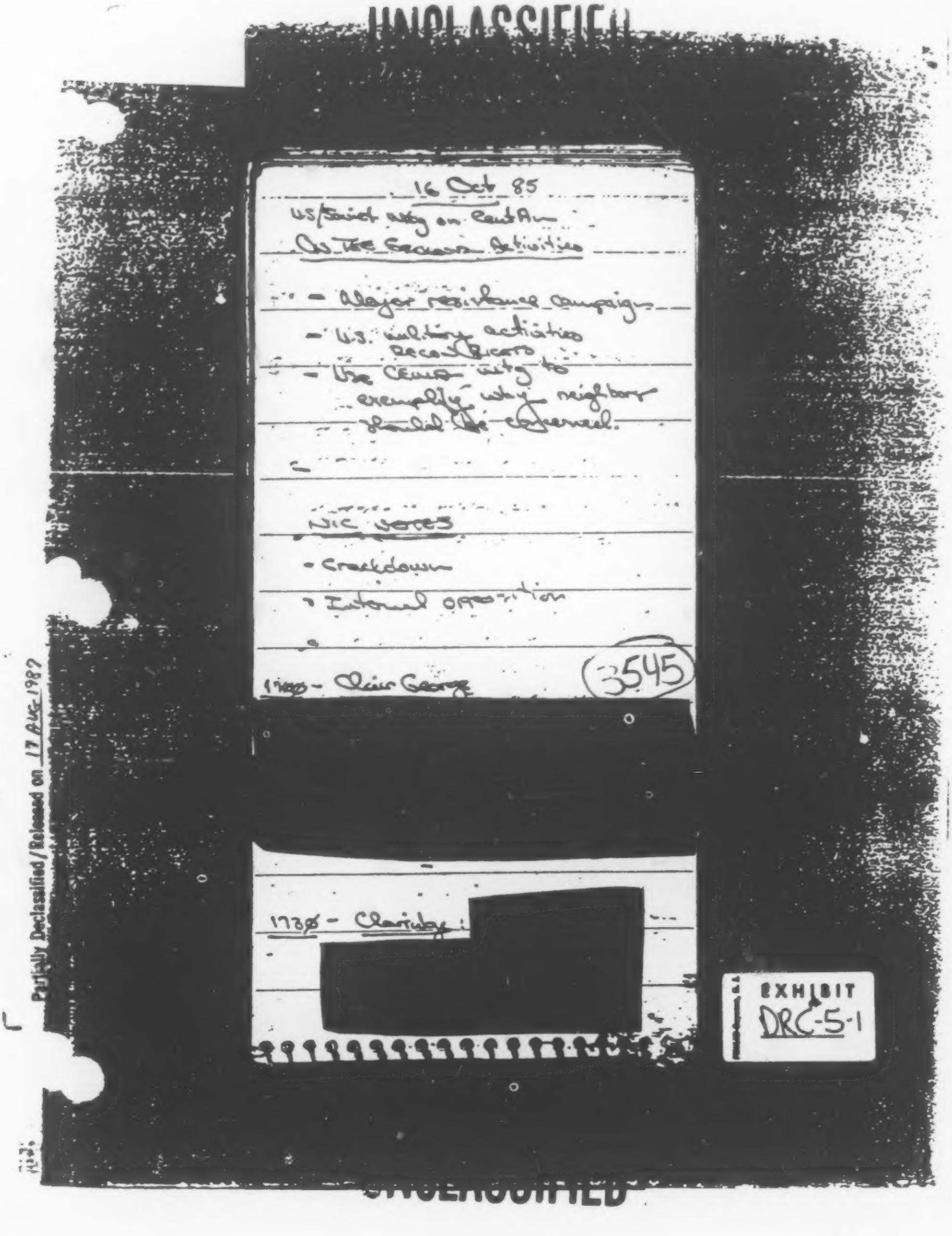
FORM 604a USE PREVIOUS EDITIONS

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

(3544)

CIIN #11

## EXHIBIT DRC-5-1



UNCLASSIFIED

16 Oct 85

US/Soviet mtg on CentAm

On the Sandinista Activities

- Major resistance campaign
- U.S. military activities Recon flights
- Use CentAm mtg to exemplify why neighbors should be concerned.

NIC Notes

- Crackdown
- Internal opposition

1700 - Clair George

3545

[redacted]

1730 - Clarridge :

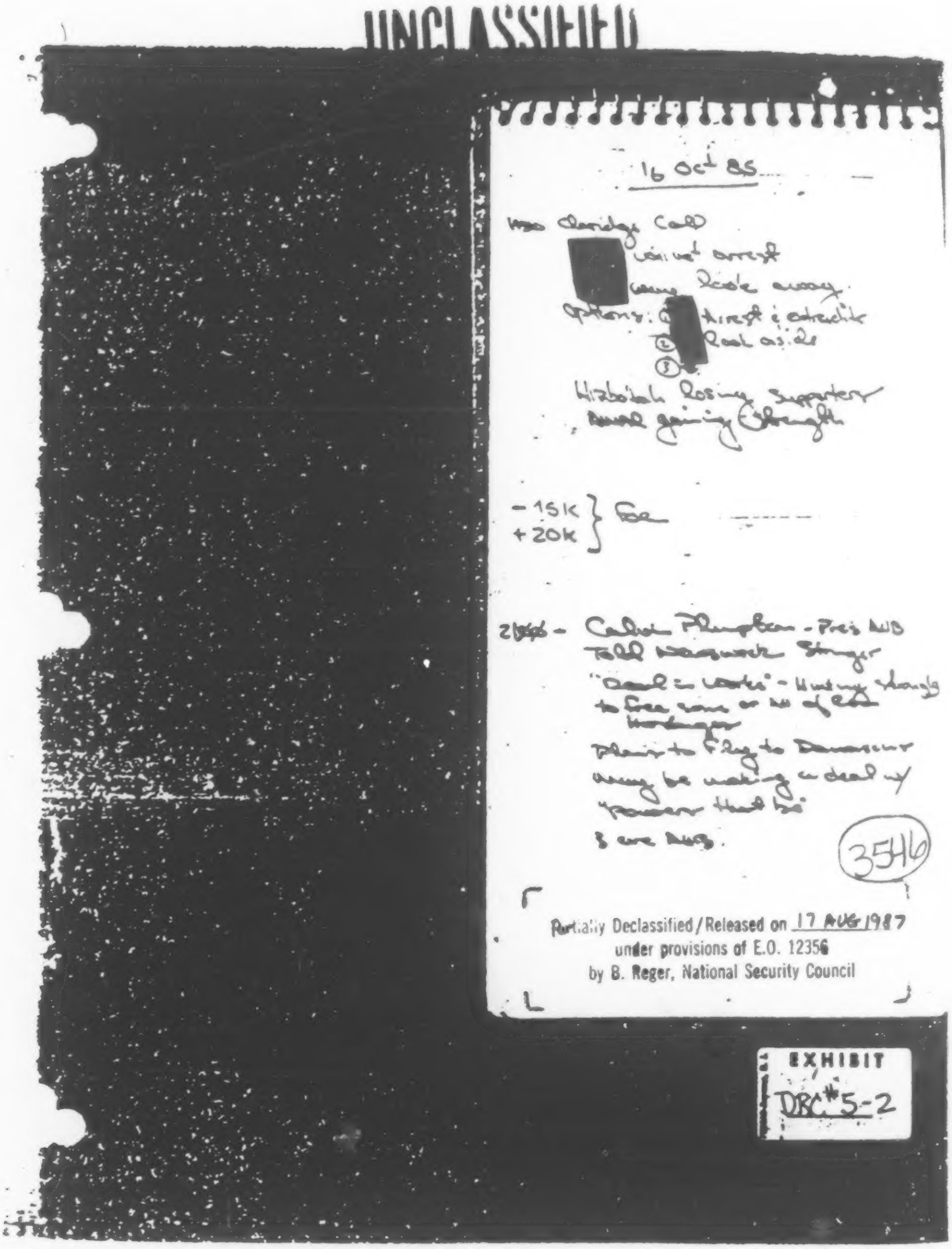
[redacted]

EXHIBIT
DRC-5-1

Partially Declassified/Released on 17 AUG 1987

UNCLASSIFIED

## EXHIBIT DRC–5–2



UNCLASSIFIED

16 Oct 85

1130 Clarridge Call
[redacted] won't arrest
wing Look away.
Options: ① [redacted] Arrest & extradite
② Look aside
③
Hizballah losing supporters
Amal gaining strength

-15K } [illegible]
+20K }

2100 - Calvin Plimpton - Pres AUB
Told [illegible] Stinger
"Deal in works" - Hunting through to free one or all of the hostages
Plans to fly to Damascus
may be making a deal w/ "powers that be"
3 are AUB.

3546

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC #5-2

## Exhibit DRC-5-3

UNCLASSIFIED

6 NOV 85

- Calero talking w/ Pastora tech
  [redacted] (Calero's envoy)

★ - [redacted] invited
  Sanz Jr. and to [redacted] and
  Calero attend. trip.

[redacted]

[redacted]

-

1400 RTIWG : Buck Revell
Bob Oakley
Jay Stephens
JCS
OVP
Abe Sofaer
Clair George
Dewey
[redacted]

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

3547

EXHIBIT
DRC #5-3

# Exhibit DRC-5-4

UNCLASSIFIED

9 Nov

3548

EXHIBIT
DRC#5-4

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT DRC-5-5

UNCLASSIFIED

12 Dec 85

0730 - Staff Mtg
- Wash. Post Editorial
- Abu Nidal
- Turning up heat in Cent Am
- Taskers for Cent Am background session

0800 w/ [illegible]

[redacted]

Partially Declassified/Released on 18 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

1238 - Clair George
- Recommends strongly against

[redacted]

3549

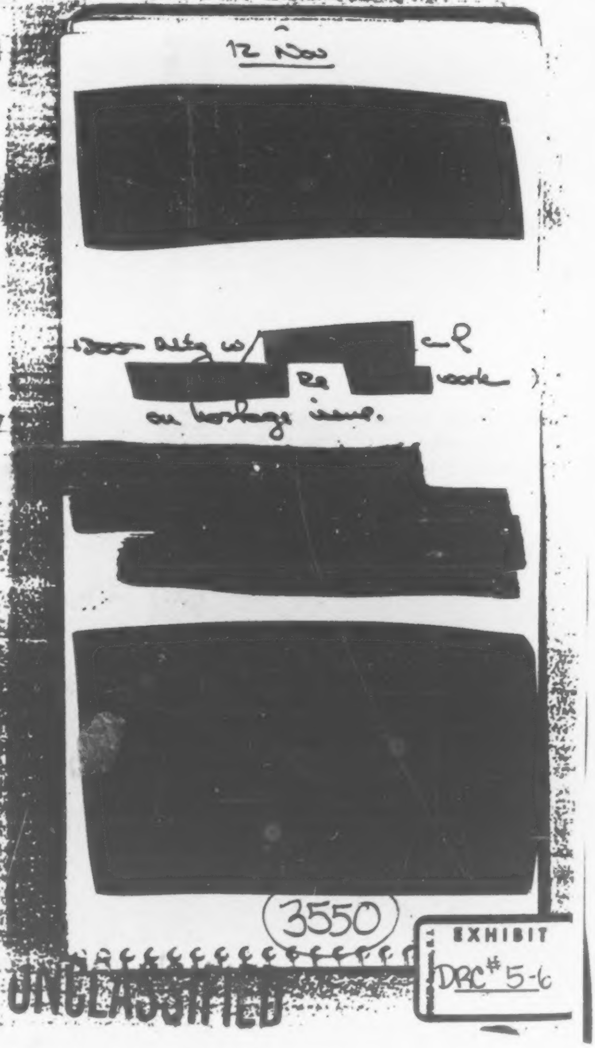
[redacted]

EXHIBIT
DRC #5-5

UNCLASSIFIED

EXHIBIT DRC-5-6

UNCLASSIFIED



12 Nov

[redacted]

-1300- Mtg w/ [redacted] and [redacted] Re [redacted] work on hostage issue.

[redacted]

[redacted]

3550

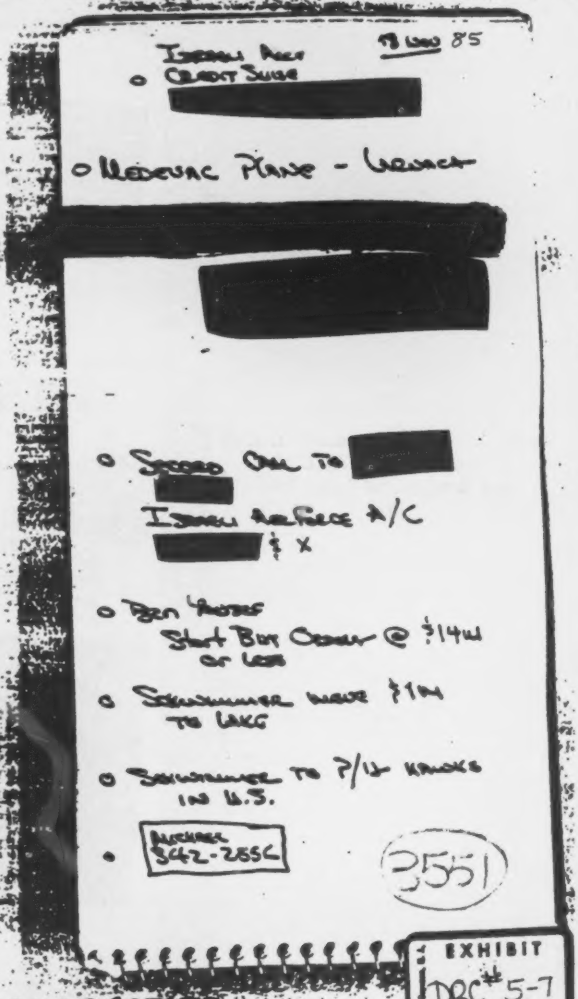
EXHIBIT
DRC # 5-6

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

## EXHIBIT DRC-5-7

UNCLASSIFIED



19 Nov 85

Israeli Acct
- Credit Suisse
  [redacted]
- Medevac Plane - Lebanon

[redacted]

[redacted]

- Second Call to [redacted]
  [redacted]
  Israeli Air Force A/C
  [redacted] & X
- Ben Yousef
  Start Buy Order @ $14M
  or less
- Schwimmer move $1M
  to Lake
- Schwimmer to 7/11 knocks
  in U.S.
- Michael
  342-2556

3551

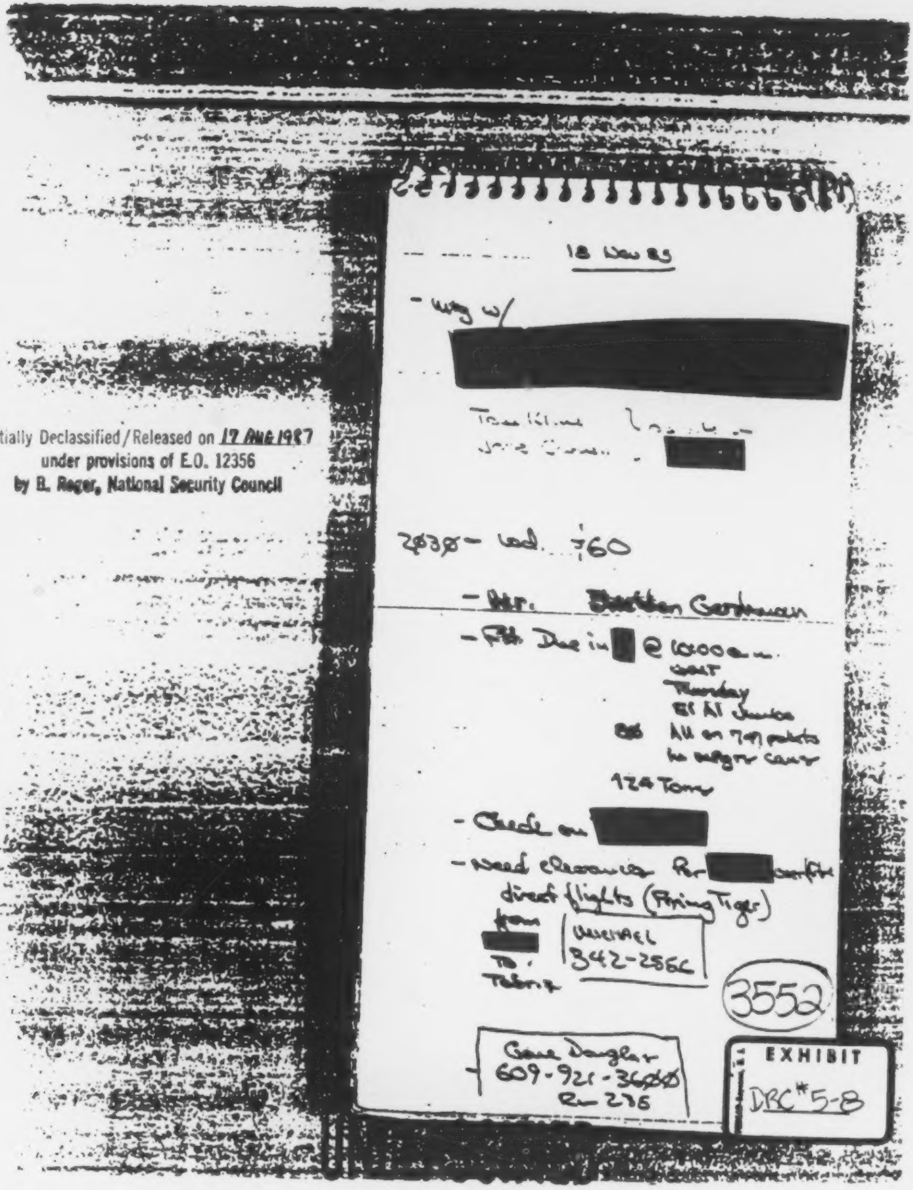
EXHIBIT
DRC# 5-7

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

## EXHIBIT DRC-5-8

UNCLASSIFIED



Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

18 Nov 85

- Mtg w/ [redacted]

Tom Kline } [illegible]
Jane Green . [redacted]

2030 - Call . 760

- Mtg. [illegible] Gershman

- Flt. Due in [redacted] @ 10:00 a.m.
GMT
Thursday
El Al Jumbo
80 All on 747 pallets
to [illegible] cars
124 Tons

- Check on [redacted]

- Need clearance for [redacted] aircraft direct flights (Flying Tiger)
from
[redacted]
To:
Tabriz

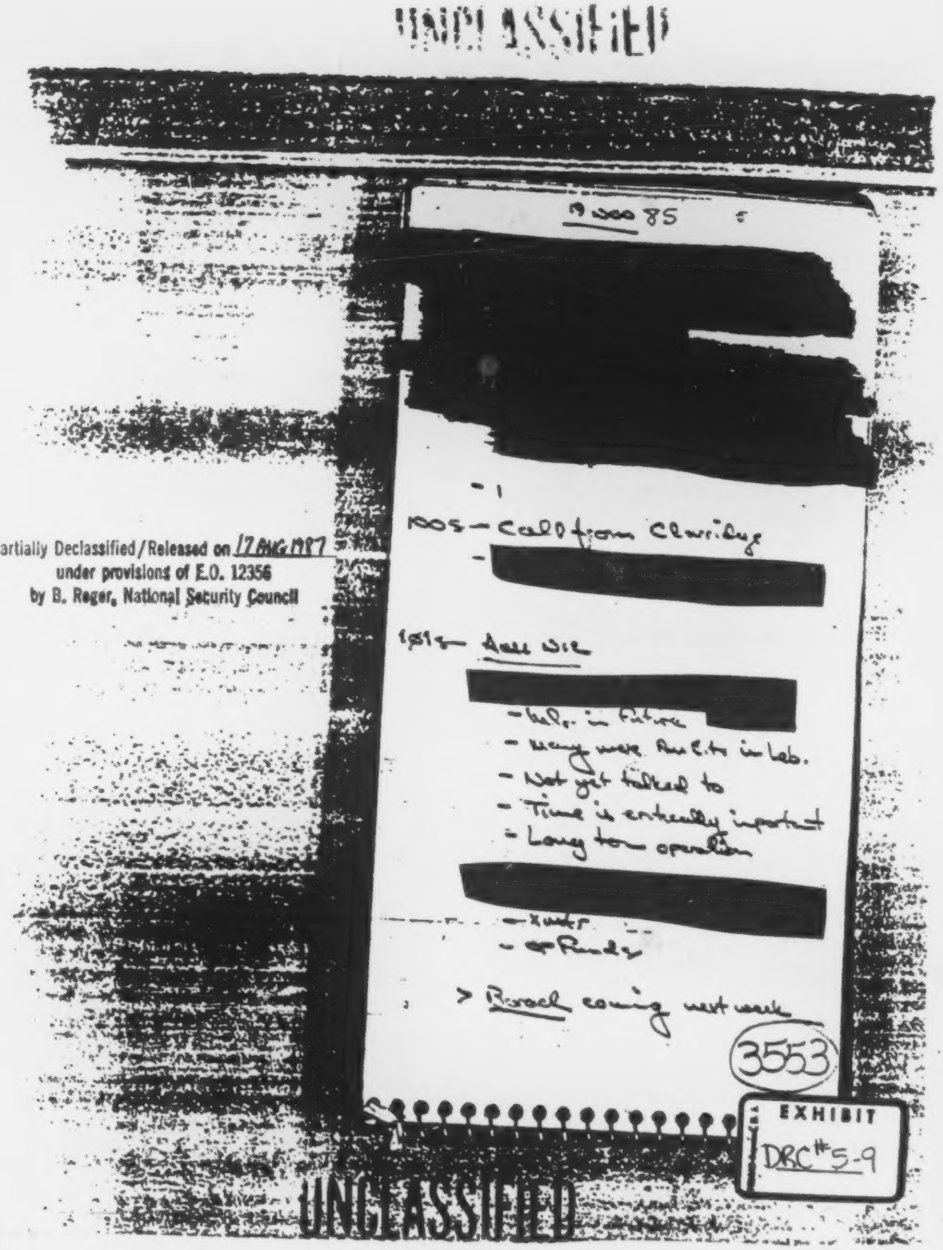
MICHAEL
342-2566

3552

- Gene Douglas
609-921-3600
Rm 276

EXHIBIT
DRC#5-8

## EXHIBIT DRC-5-9



UNCLASSIFIED

19 Nov 85

[redacted]

- 1

1005 – Call from Clarridge

– [redacted]

1012 – Adm Wic

[redacted]

– Help in future

– Many were Am Cits in Leb.

– Not yet talked to

– Time is extremely important

– Long term operation

[redacted]

– Xwts

– $ Funds

> Brock coming next week

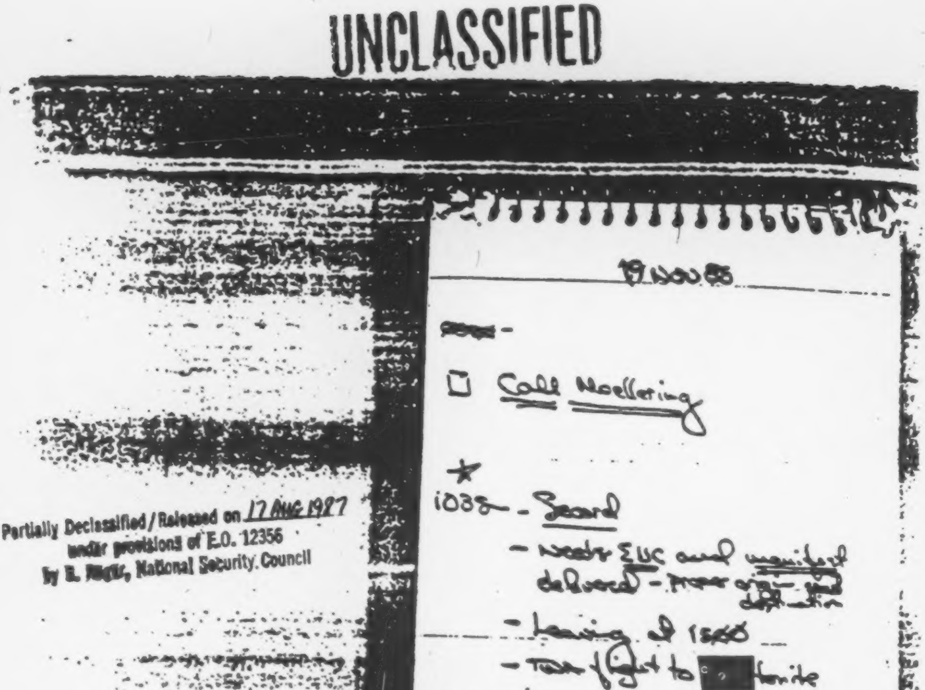
3553

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC#5-9

UNCLASSIFIED

## EXHIBIT DRC-5-10



UNCLASSIFIED

19 NOV 85

[redacted] -

☐ Call Moellering

★
1038 - Secord
- Needs EUC and manifest delivered - proper origin and destination
- Leaving at 1500
- Then flight to [redacted] tonite
- Vars.

Call re A/C - C-123's ✓ Olmstead
- P/L package for [redacted] from Mrs. Secord.
- George to call Cadd 281-9348
- Letter discussed last night w/ Secord in as a sensitive mission
Noo -

(3554)

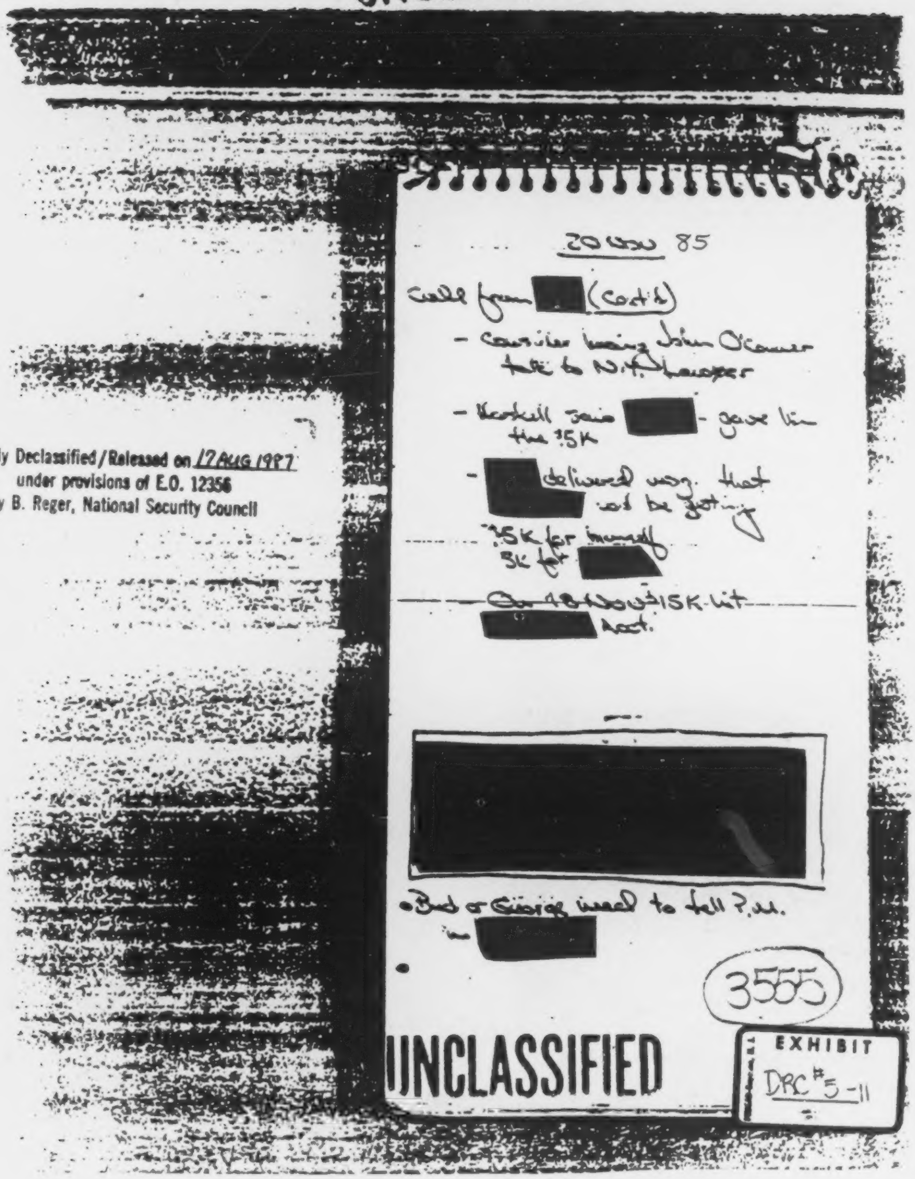
UNCLASSIFIED

EXHIBIT
DRC # 5-10

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT DRC–5–11

UNCLASSIFIED



20 Nov 85

Call from [redacted] (cont'd)

- consider having John O'Connor talk to N.Y. lawyer
- Haskell said [redacted] - gave him the $15K
- [redacted] delivered msg. that wd be getting

$15K for himself
5K for [redacted]

~~On 18 Nov~~ $15K hit [redacted] acct.

[redacted]

- Bud or George need to tell P.M. in [redacted]
-

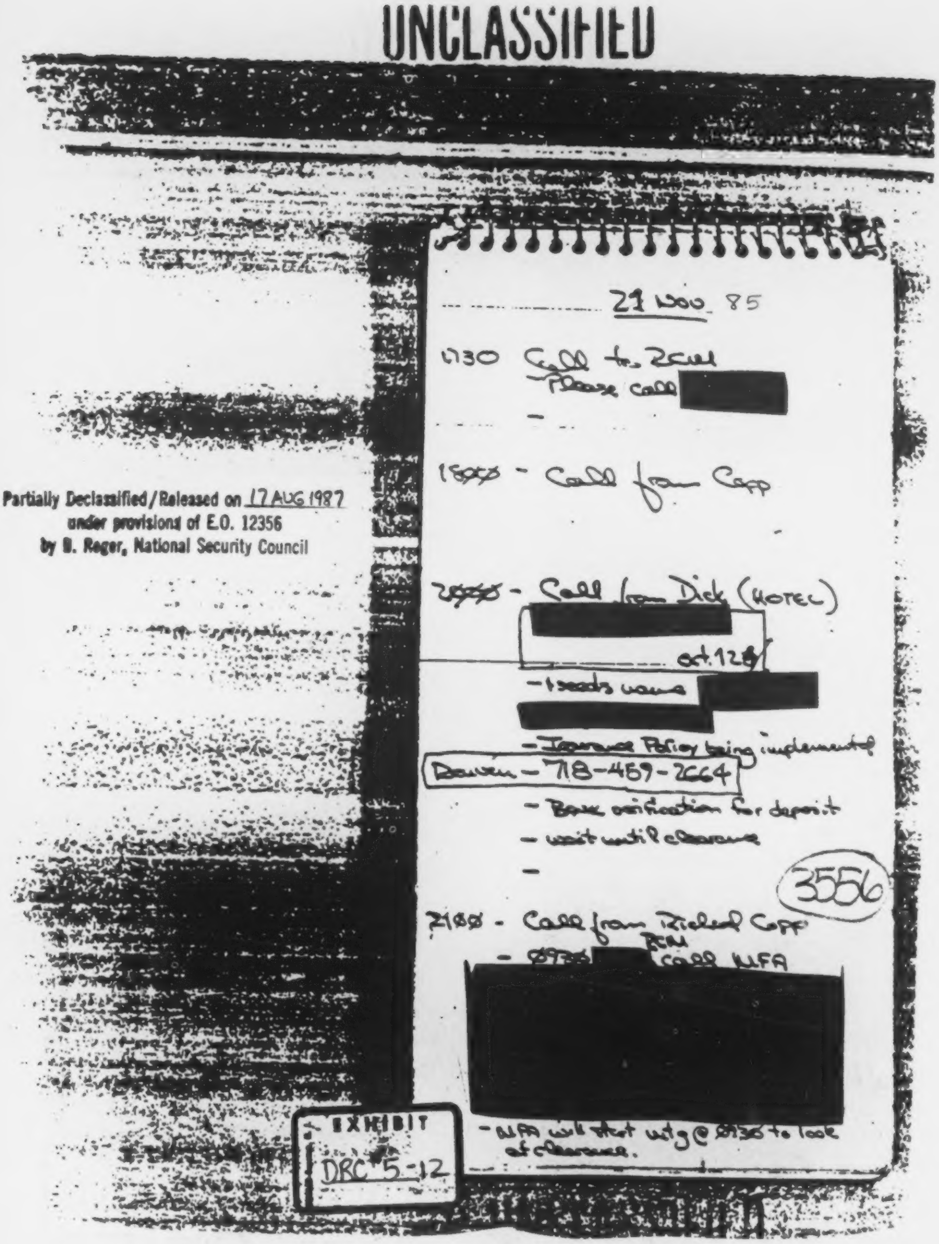
3555

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
DRC #5-11

## EXHIBIT DRC–5–12



UNCLASSIFIED

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

21 Nov 85

1730 Call to Zcull
- Please call [redacted]
-

1800 - Call from Copp

2000 - Call from Dick (HOTEL)
[redacted]
oct. 120
- Needs name [redacted]
- Insurance Policy being implemented

Bowen – 718-459-2664
- Bank verification for deposit
- wait until clearance
-

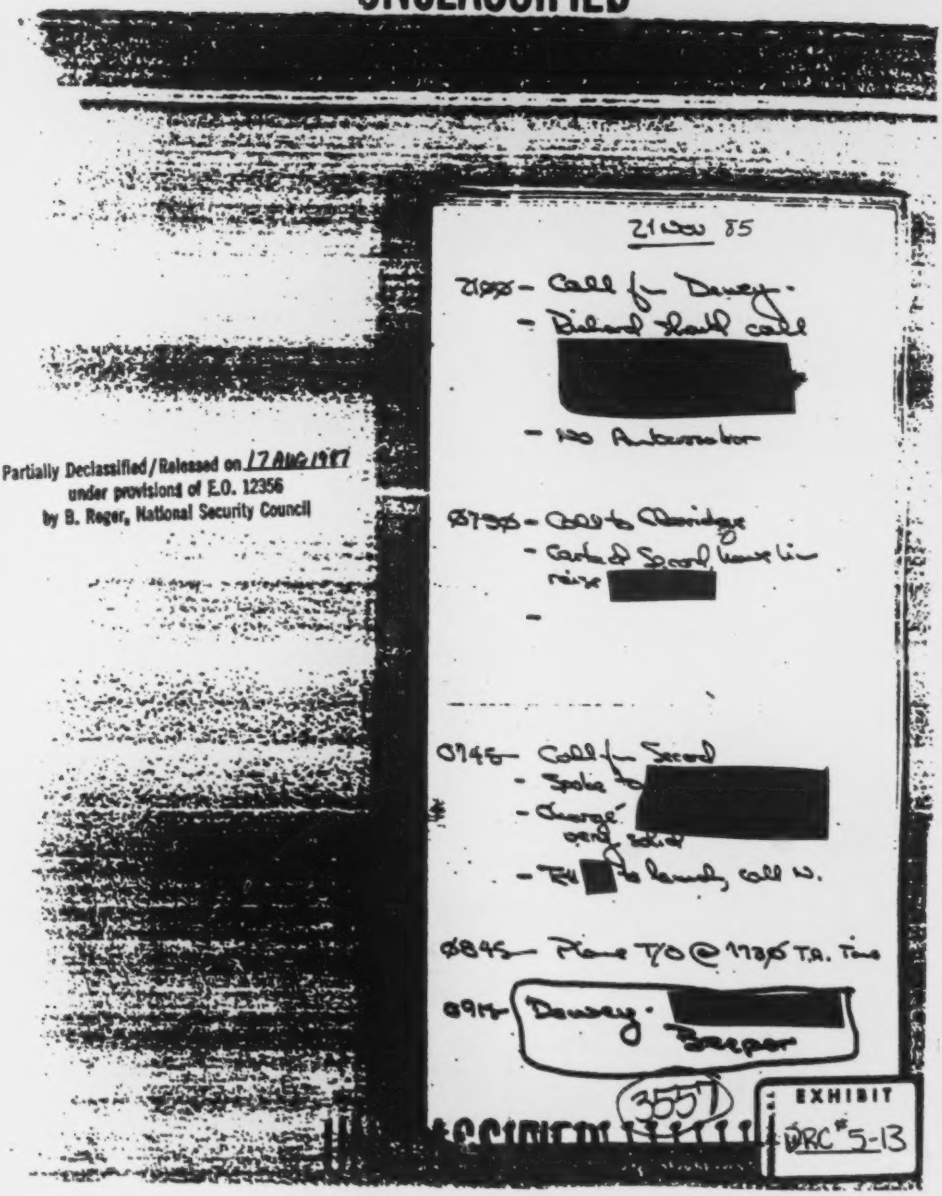
3556

2100 - Call from Richard Copp
- 0930 [redacted] RCM call NFA
[redacted]
- NFA will start mtg @ 0930 to look at clearance.

EXHIBIT
DRC 5-12

## EXHIBIT DRC-5-13

UNCLASSIFIED



Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

21 Nov 85

2100 - Call fr Dewey.
- Richard should call
[redacted]
- No Ambassador

0730 - Call to Clarridge
- Contact Secord, have him raise [redacted]
-

0745 - Call fr Secord
- Spoke to [redacted]
- Charge' very excited
- Tell [redacted] to launch, call W.

0845 - Plane T/O @ 1730 T.A. Time

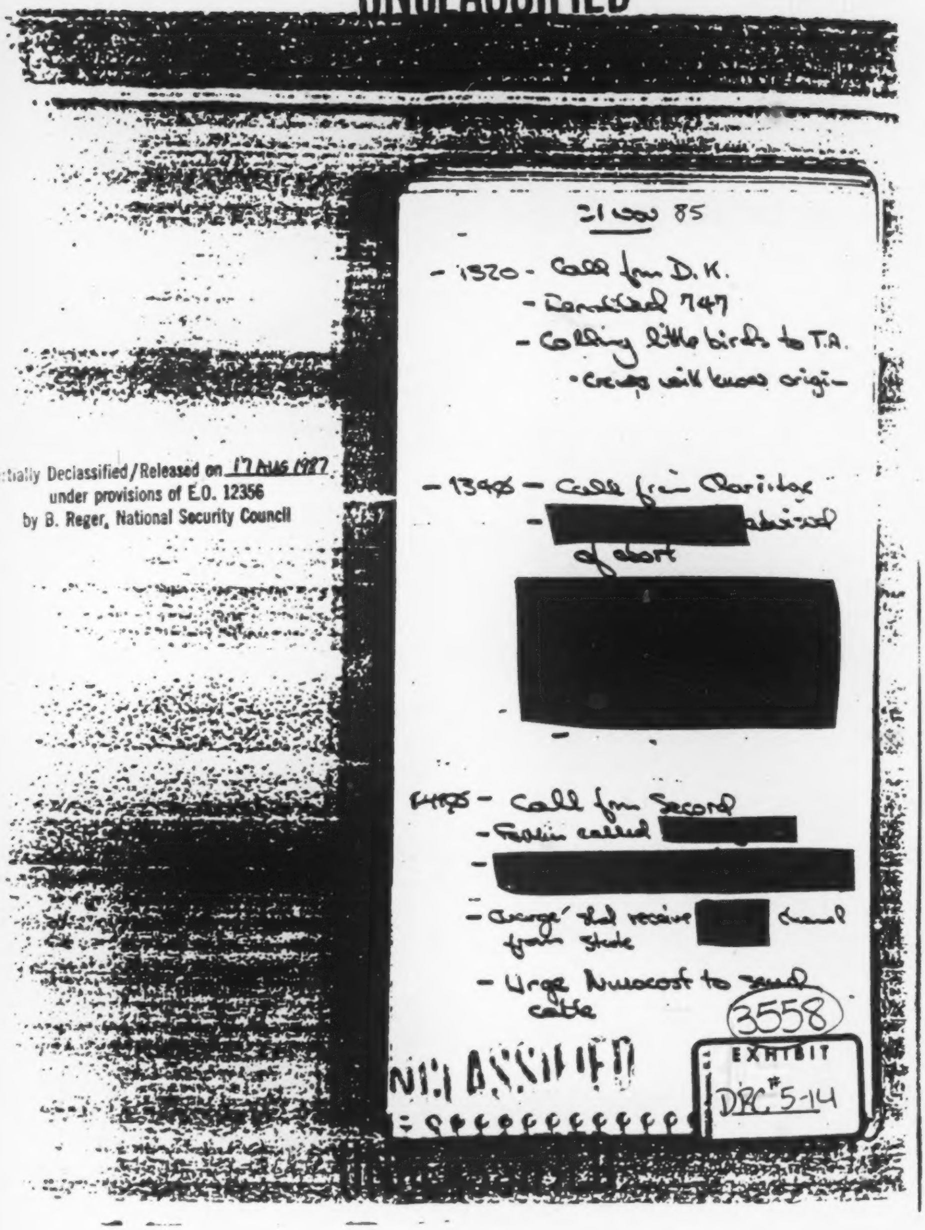
0915 - Dewey. [redacted] Breeper

3557

EXHIBIT
DRC#5-13

EXHIBIT DRC-5-14

UNCLASSIFIED



Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

21 Nov 85

- 1320 - Call from D.K.
  - Cancelled 747
  - Calling little birds to T.A.
    - Crews will know origi-

- 1345 - Call from Clarridge
  - [redacted] advised of abort

[redacted]

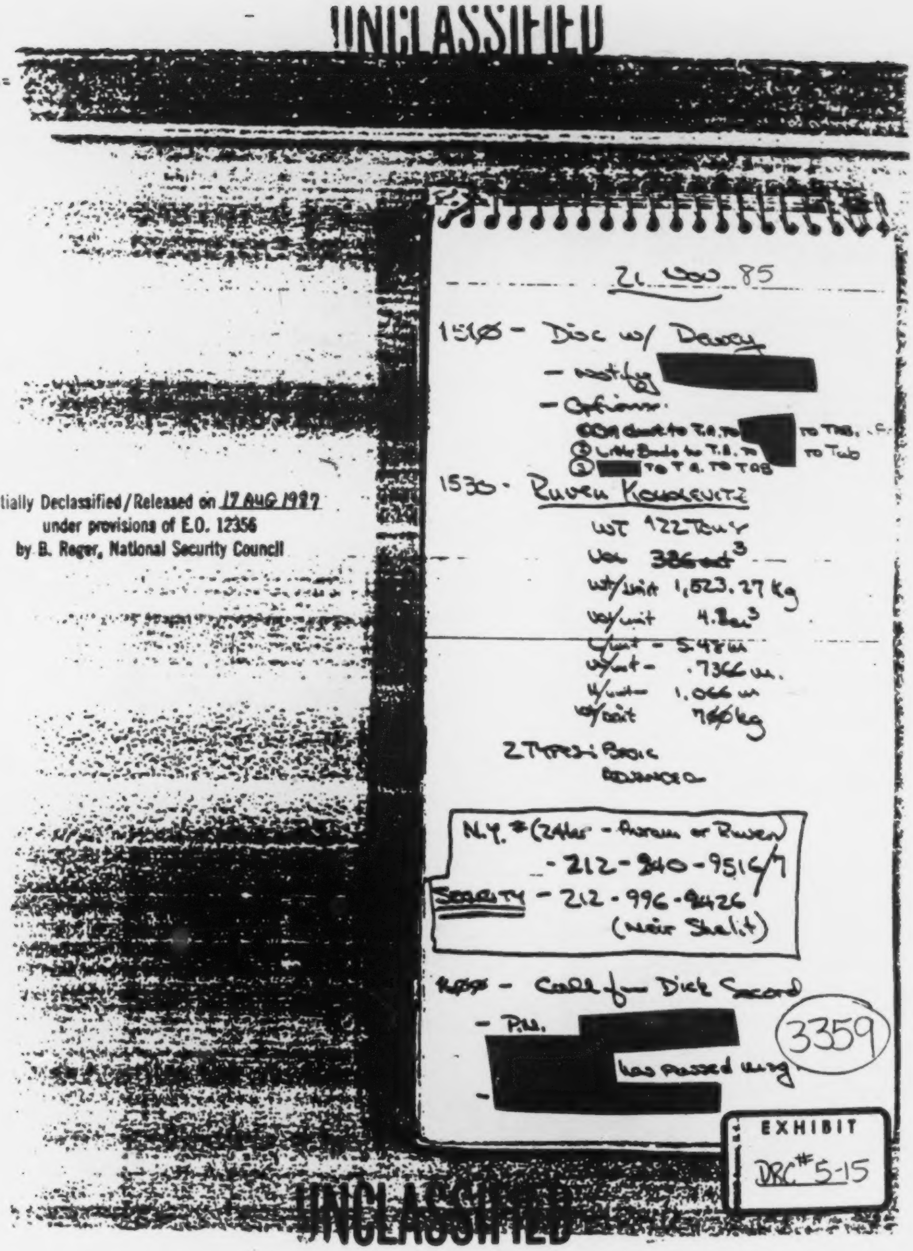
1415 - Call from Secord
  - Rabin called [redacted]
  - [redacted]
  - George did receive [redacted] channel from State
  - Urge Armacost to send cable

3558

UNCLASSIFIED

EXHIBIT
DRC # 5-14

## Exhibit DRC-5-15



UNCLASSIFIED

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

21 Nov 85

1510 - Disc w/ Dewey
- notify [redacted]
- Options:
① [illegible] to T.A. to [redacted] to TAB.
② Little Birds to T.A. to to Tab
③ [redacted] TO T A. TO TAB

1530 - Ruven Kovalevitz
Wt 122 Tons
Vol 386 m$^3$
wt/unit 1,523.27 kg
vol/unit 4.2m$^3$
L/unit - 5.48 m
W/unit - .736 m.
H/unit - 1.066 m
wt/unit 750 kg
2 Types: Basic
Advanced

N.Y. # (24 hr - Avram or Ruven)
- 212-840-9516/7
Security - 212-996-8426
(Meir Shalit)

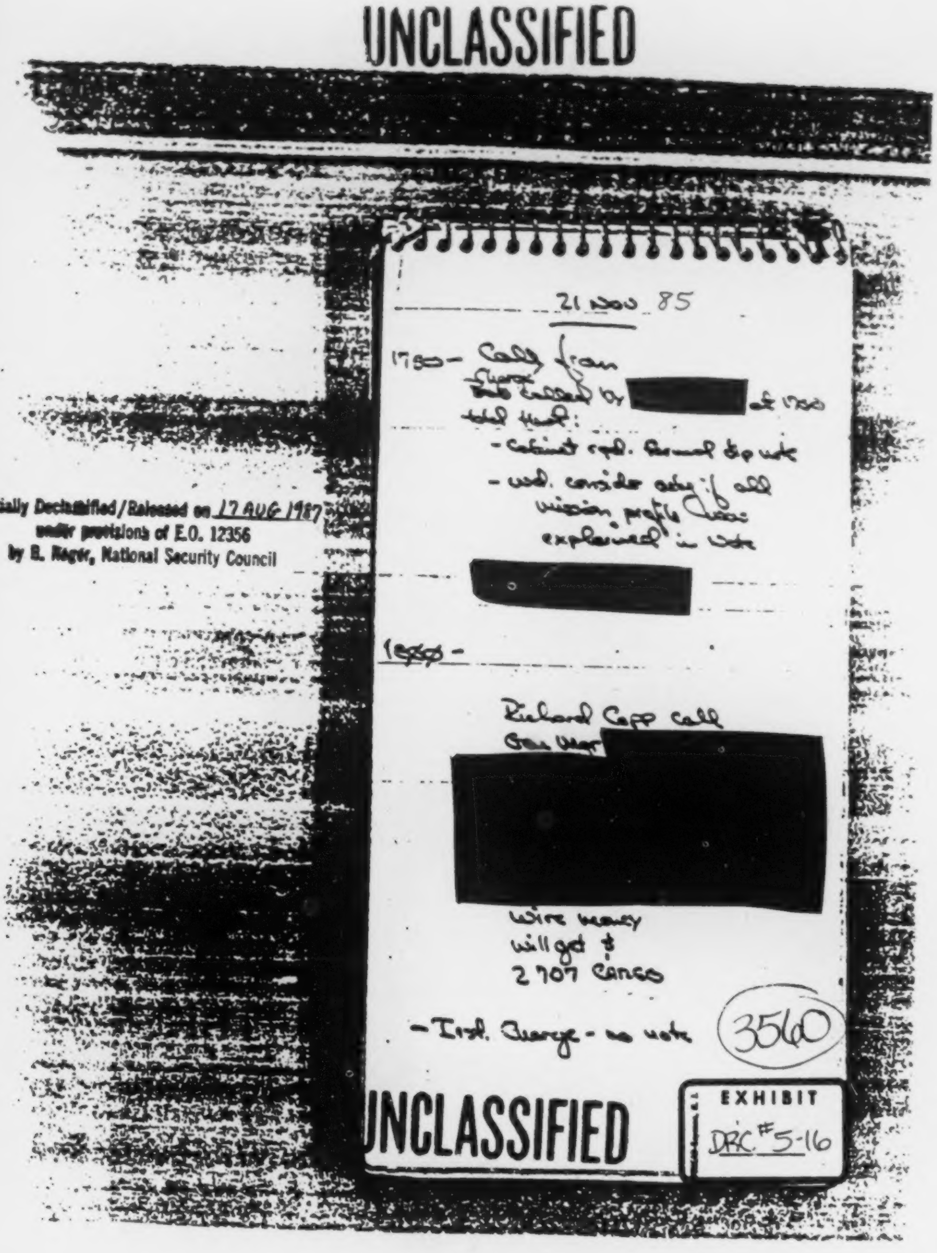
[illegible] - Call from Dick Secord
- P.M. [redacted]
has passed msg
- [redacted]

3359

EXHIBIT
DRC #5-15

UNCLASSIFIED

EXHIBIT DRC–5–16



UNCLASSIFIED

21 Nov 85

1750 – Call from
[illegible] called by [redacted] at 1700
told that:
- Cabinet rqd. formal dip note
- wd. consider adj. if all mission profile were explained in note

[redacted]

1930 –

Richard Copp call
Gen [illegible] [redacted]

Wire money
will get $
2 707 cargo

– Isrl. Charge – no note

3560

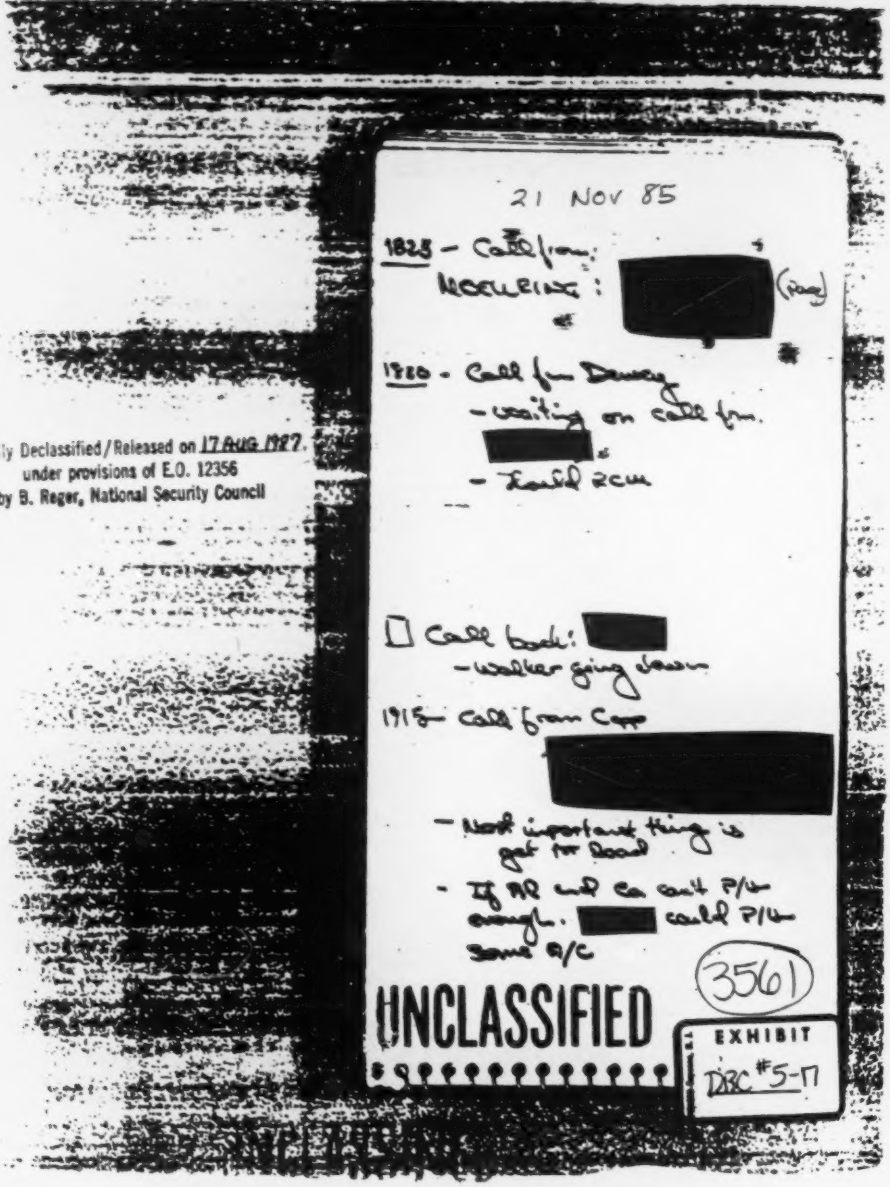
Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
DRC #5-16

## EXHIBIT DRC–5–17

UNCLASSIFIED



Partially Declassified/Released on 17 AUG 1987, under provisions of E.O. 12356 by B. Reger, National Security Council

21 NOV 85

1825 – Call from:
MCFARLANE: [redacted] (page)

1830 – Call fm Dewey
– waiting on call fm.
[redacted]
– Khalid 2cm

☐ Call back: [redacted]
– Walker going down

1915 – Call from Copp
[redacted]
– Most important thing is get to [illegible]
– If NR and Co can't P/U enough. [redacted] could P/U some A/C

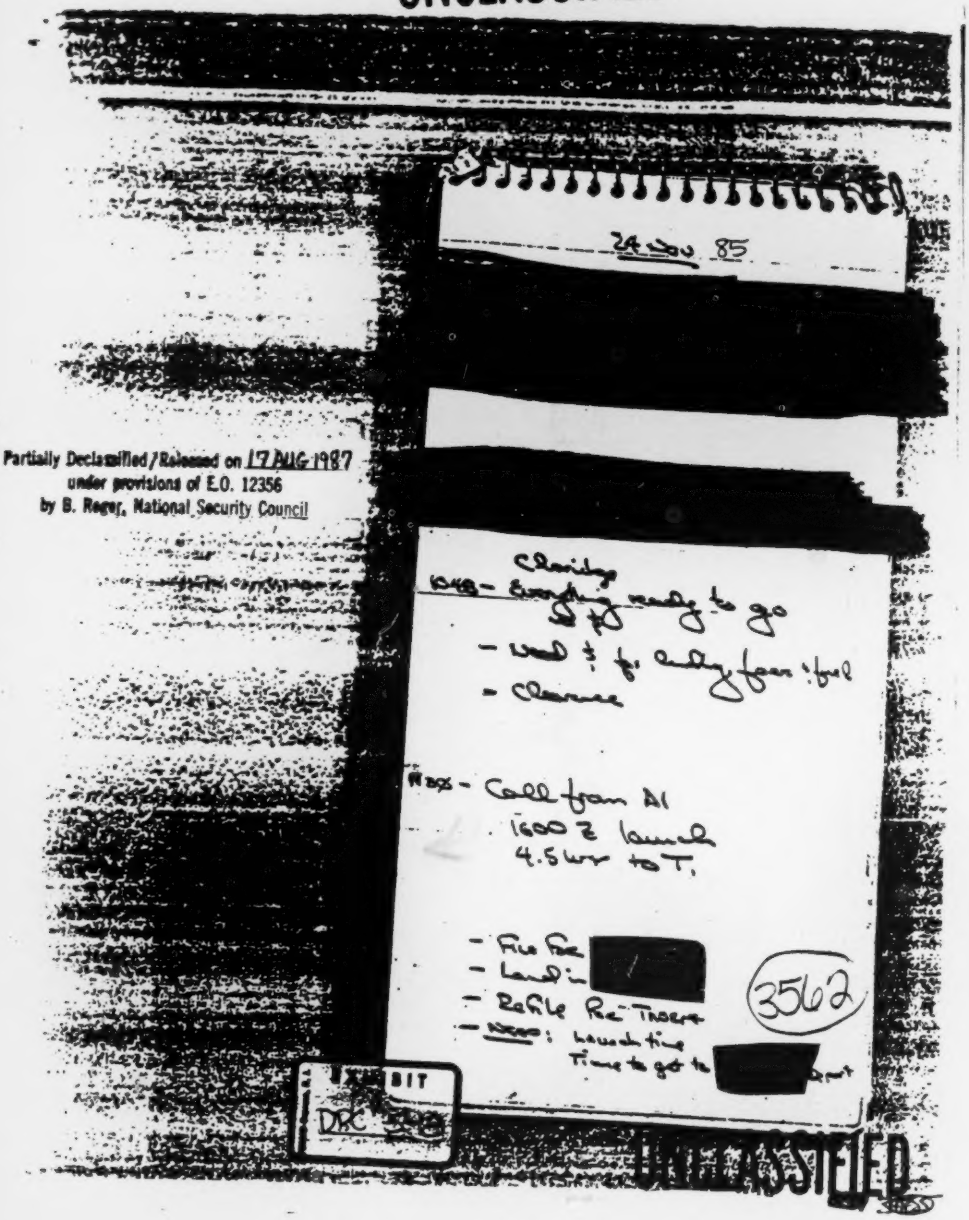
3561

UNCLASSIFIED

EXHIBIT
DRC #5-17

## Exhibit DRC-5-18

UNCLASSIFIED



[redacted]

24 Nov 85

[redacted]

[redacted]

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

Clarridge
1048 - Everything ready to go
SE [illegible]
- Need $ for landing fees : fuel
- Clearance

1108 - Call from Al
1600 Z launch
4.5 hrs to T.

- File for [redacted]
- Land in
- Refile for Tabriz
- Need: Launch time
Time to get to [redacted] aprt

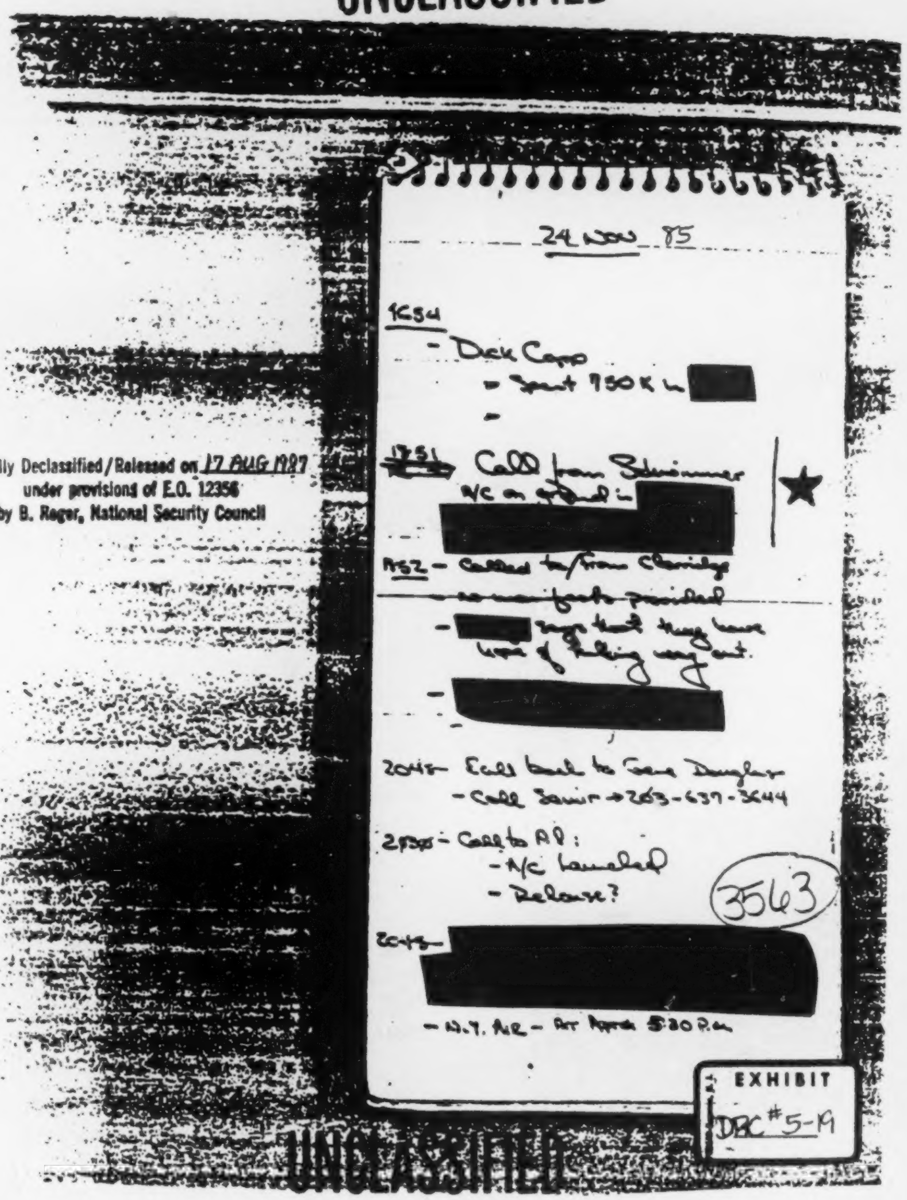
3562

EXHIBIT
DRC 5-18

UNCLASSIFIED

# EXHIBIT DRC-5-19

UNCLASSIFIED



24 NOV 85

1654
- Dick Copp
  - Spent 750K in [redacted]
  -

1751 Call from Schwimmer
A/C on ground in [redacted]

1752 - Called to/from Clarridge
- no manifests provided
- [redacted] says that they have hopes of talking way out.
- [redacted]

2045 - Call back to Gene Douglas
- Call Samir → 263-637-3644

2130 - Call to AP:
- A/C launched
- Release?

3563

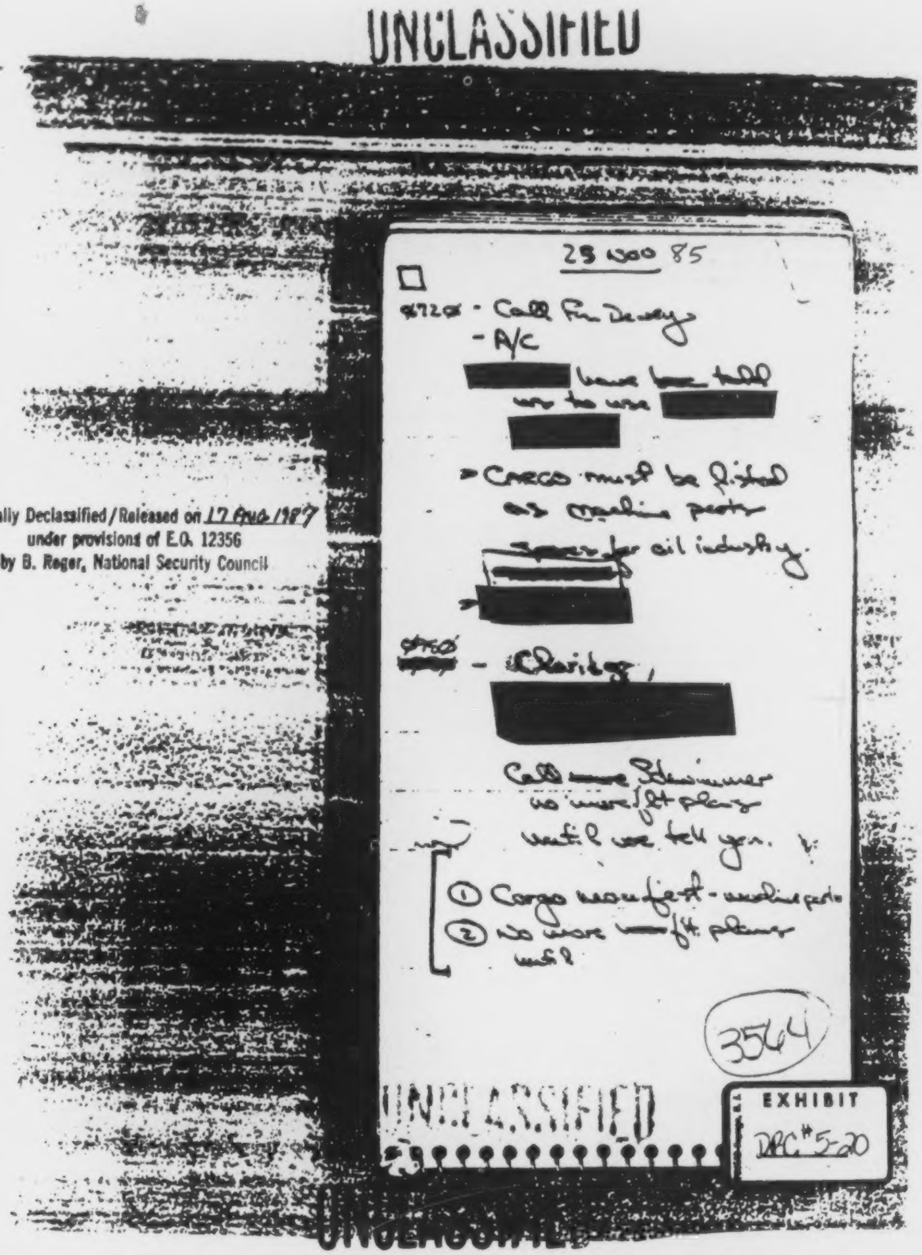
2045 - [redacted]
- N.Y. Air - Arr Approx 5:30 P.M.

EXHIBIT
DRC #5-19

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

## EXHIBIT DRC-5-20



UNCLASSIFIED

25 Nov 85

☐

0720 - Call fm Dewey
- A/C

[redacted] have been told
we to use [redacted]
[redacted]

> Cargo must be listed
as machine parts
~~spares~~ for oil industry.

[redacted]

> [redacted]

0750 [redacted] - Clarridge,
[redacted]

Call ~~now~~ Schwimmer
no more flt plans
until we tell you.

① Cargo manifest - machine parts
② No more ~~—~~ flt. plans
until

3564

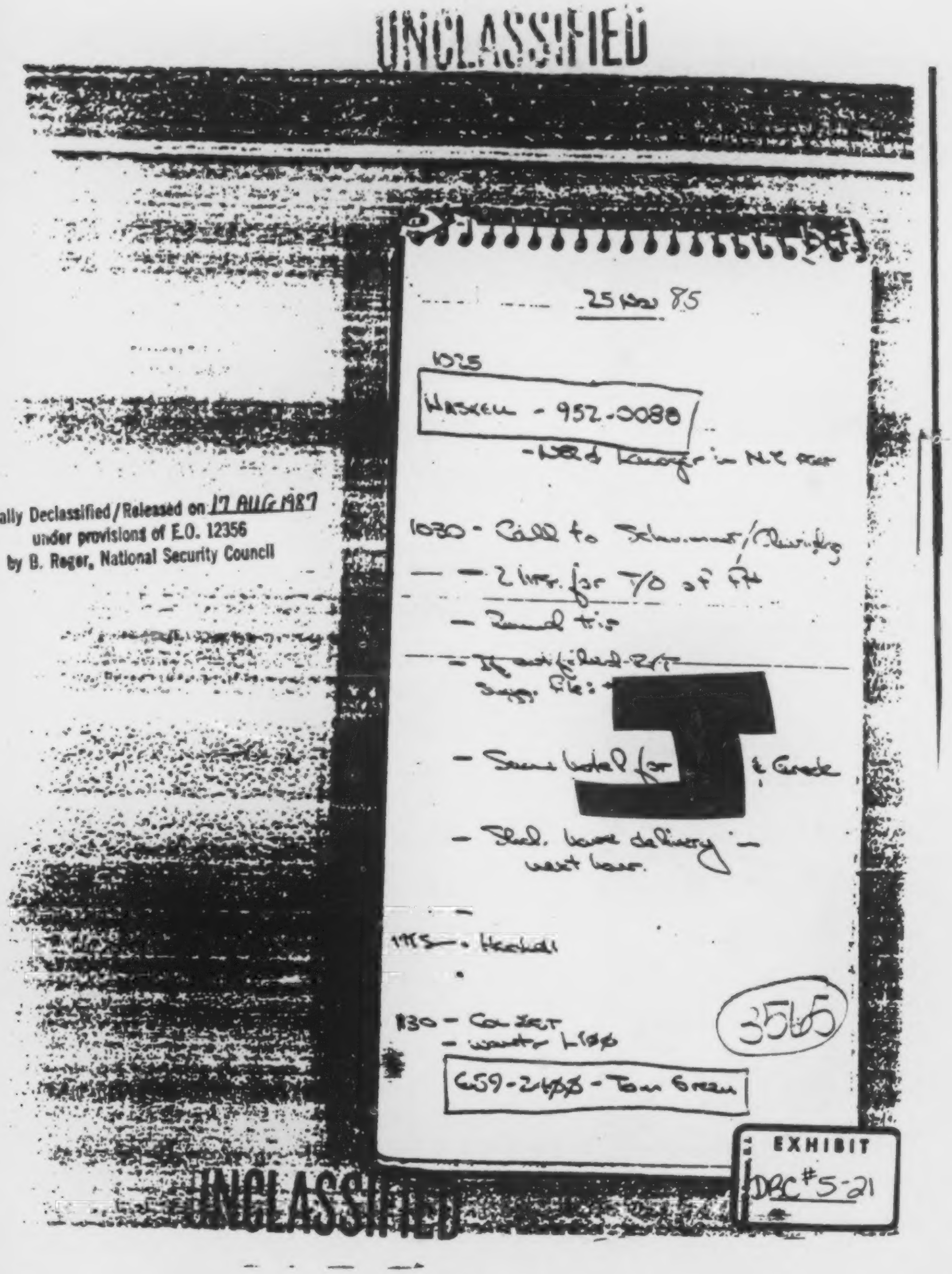
Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
DRC#5-20

UNCLASSIFIED

## EXHIBIT DRC-5-21



UNCLASSIFIED

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

25 Nov 85

1025

Haskell - 952-0088
- Wld be known in N.Y. as

1030 - Call to Schwimmer/Clarridge
- 2 hrs. for T/O of flt
- Round trip
- If not filled R/T
Sugg. file: [redacted]
- Same hotel for [redacted] & Grade
- Shd. have delivery - next hour.

1115 - Haskell

1130 - Col. Secord
- wants L100

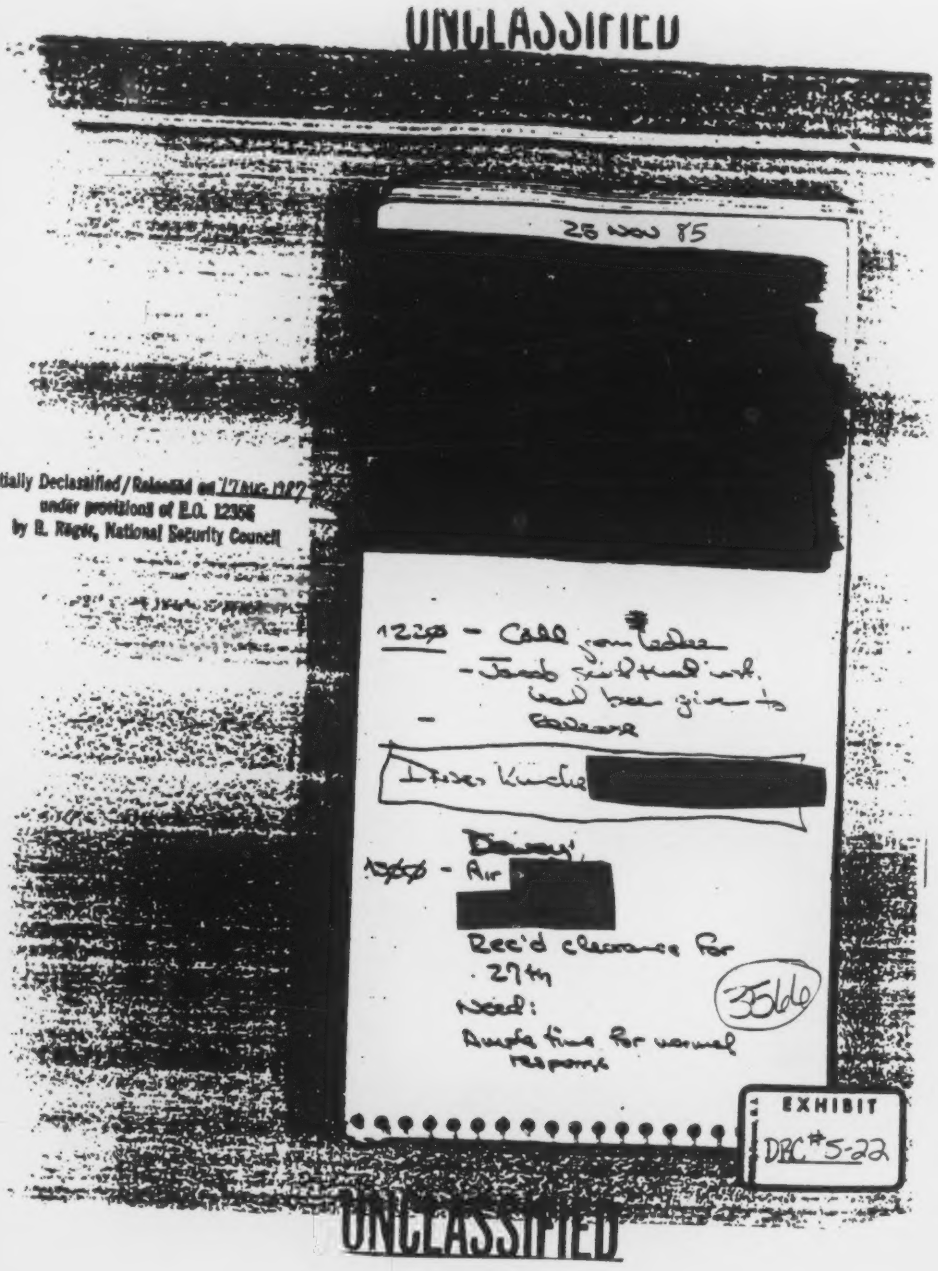
659-2400 - Tom Green

3565

EXHIBIT
DRC #5-21

UNCLASSIFIED

## EXHIBIT DRC-5-22



UNCLASSIFIED

25 Nov 85

[redacted]

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

1200 - Call from Ledeen
- Jacob said that wt. had been given to
- [illegible]

Dave Kimche [redacted]

~~Dewey~~
1300 - Air [redacted]

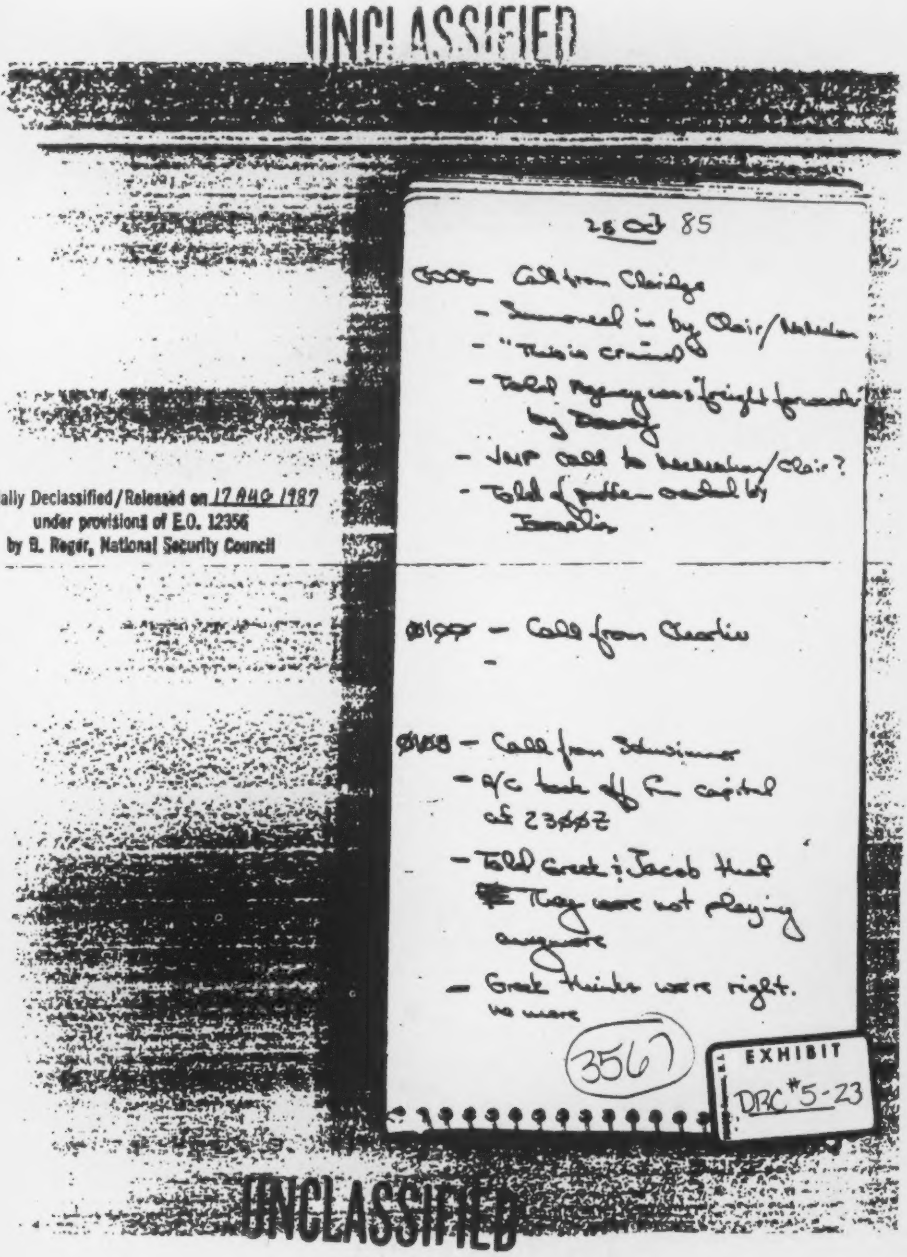
Rec'd clearance for 27th
Need:
Ample time for normal response

3566

EXHIBIT
DRC#5-22

UNCLASSIFIED

## EXHIBIT DRC-5-23



UNCLASSIFIED

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

28 Oct 85

0005 — Call from Claridge
- Summoned in by Clair/[illegible]
- "This is criminal"
- Told Agency was "freight forwarder" by [illegible]
- JMP call to [illegible]/Clair?
- Told of problem created by Israelis

0100 — Call from Charlie
-

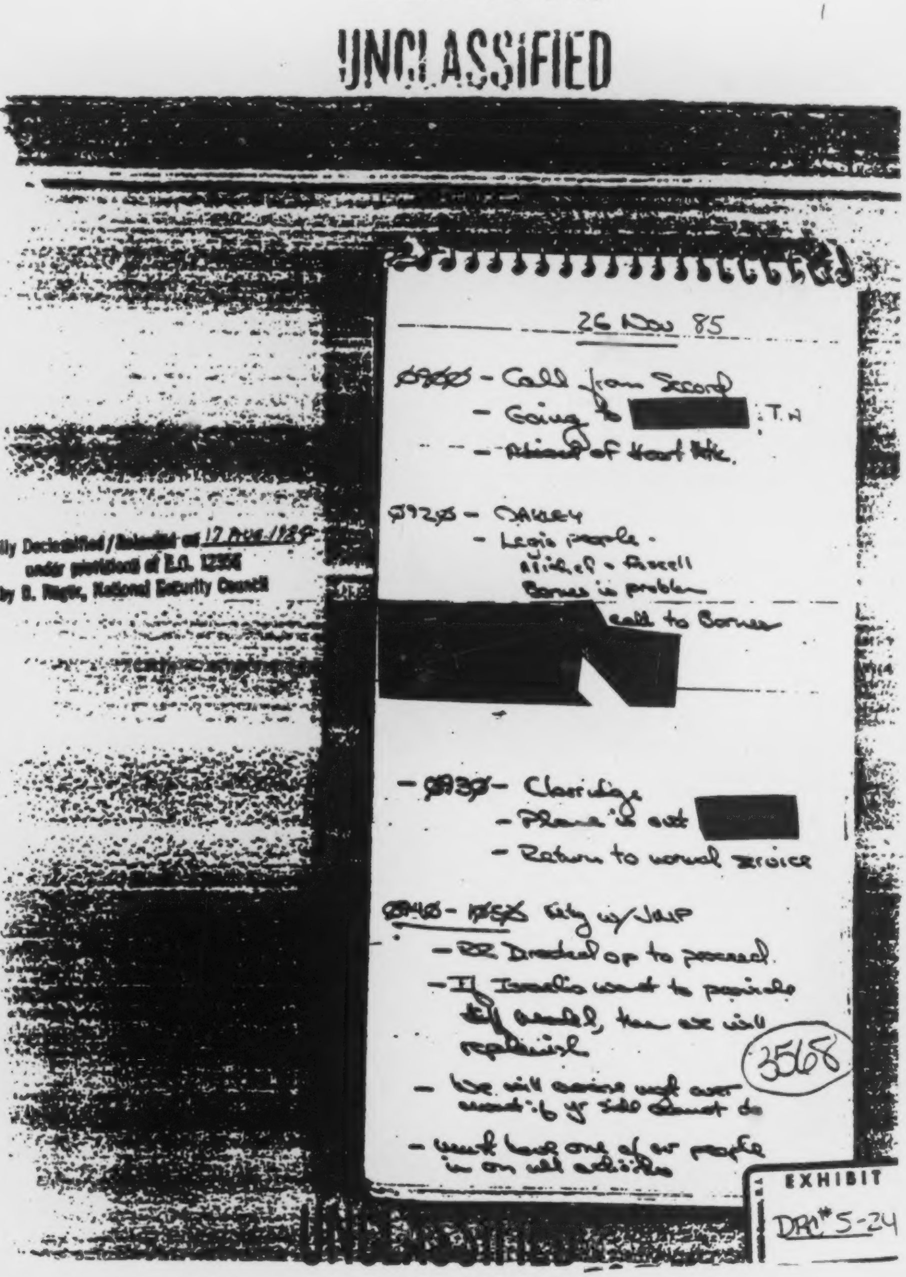
0158 — Call from Schwimmer
- A/C took off fr capital at 2300Z
- Told Greek & Jacob that ~~[illegible]~~ They were not playing anymore
- Greek thinks were right. no more

(3567)

EXHIBIT
DRC #5-23

UNCLASSIFIED

EXHIBIT DRC-5-24



UNCLASSIFIED

Partially Declassified/Released on 17 Aug 1989
under provisions of E.O. 12356
by B. Reger, National Security Council

26 Nov 85

0900 - Call from Secord
- Going to [redacted] : T.W.
- Ahead of Hawk mtg.

0920 - Oakley
- Legis people -
Mitchell - Fascell
Barnes is problem

[redacted] call to Barnes

- 0930 - Clarridge
- Plane is at [redacted]
- Return to normal service

0940 - 1055 Mtg w/JMP
- RR Directed op to proceed.
- If Israelis want to provide diff model, then we will replenish
- We will examine what [illegible] [illegible] if yr side cannot do
- Want to have one of our people in on all activities

(3568)

EXHIBIT
DRC#5-24

UNCLASSIFIED

## EXHIBIT DRC-6-A

NORTH HEARING
TESTIMONY

country, yes.

Mr. NIELDS. And the other thing that you did was to involve officials at the CIA.

Mr. NORTH. I think we did use communications support from CIA, that's correct.

Mr. NIELDS. Well, you, in fact, contacted Mr. Clarridge, didn't you?

Mr. NORTH. Yes, I did.

Mr. NIELDS. And, in fact, you went out to the CIA and spent virtually all day Saturday there?

Mr. NORTH. What was that date?

Mr. NIELDS. I believe it is the 23rd. You might want to check Exhibit 46.

Mr. NORTH. That is correct.

Mr. NIELDS. You spent most of the day on the 23rd at the CIA.

Mr. NORTH. Yes.

Mr. NIELDS. And that was with Mr. Clarridge?

Mr. NORTH. I am sure that it was with Mr. Clarridge, perhaps others, but he certainly did clear me in because his signature is right there.

Mr. NIELDS. And indeed you returned to the CIA the following day?

Mr. NORTH. On Sunday? I will take your word for it. I did.

Mr. NIELDS. And you are now looking at the second page of Exhibit 46, which I take it is another sign-in sheet at the CIA for Sunday.

Mr. NORTH. That is correct.

Mr. NIELDS. And Mr. Clarridge and you were in touch with the U.S. Embassy in the European country?

Mr. NORTH. I don't recall specifically talking to the embassy, no. I know that there were discussions that were held, and I know that there was message traffic exchanged, that is correct.

Mr. NIELDS. Cable traffic?

Mr. NORTH. Yes.

Mr. NIELDS. And the purpose of cable traffic was to try to obtain from the officials in the European country the right to land a plane carrying the missiles.

Mr. NORTH. That is correct.

Mr. NIELDS. And they were then going to be taken off that plane and loaded onto other planes to be transported on to Iran?

Mr. NORTH. Yes.

Mr. NIELDS. And at some point through Mr. McFarlane you heard that the foreign country was going to permit the plane to land.

Mr. NORTH. As I recall, that was at one point approved.

Mr. NIELDS. But there was a problem because there was a condition. Isn't that true? Isn't it true that the foreign country--

Mr. NORTH. There was a condition, I don't remember what it was right now.

Mr. NIELDS. Isn't it true that the foreign country wanted us to acknowledge in writing what it was that was landing?

Mr. NORTH. That is right.

Mr. NIELDS. The actual material, the Hawks.

Mr. NORTH. Yes.

Mr. NIELDS. We weren't willing to do that?

Mr. NORTH. Not at all.

Mr. NIELDS. Did you discuss that with Mr. Clarridge?

Mr. NORTH. I do not recall exactly what I discussed with Mr. Clarridge. I know there was a point in time where he certainly did become aware, and it may be through sensitive intelligence, because the intelligence showed what was being moved, and I did at some point along there confirm to him that it was not oil drilling equipment but that it was Hawks, as was very obvious to almost everybody out there at that point, because they were reading the same sensitive intelligence that I was.

When I say that point, I don't know exactly what point it is. But I did at some point confirm to him that that's what was taking place, and that--and it may have been after the fact, I am not saying that it was before the fact, and at that point Mr. McMahon was very upset with me.

Mr. NIELDS. Now, at what point was Mr. McMahon very upset with you?

Mr. NORTH. As I recall, it was after the pilots returned from their mission or in which he saw a part of the sensitive intelligence. And I don't recall the specific timing, but it was at that point that we began to work on the finding with Mr. Sporkin, I think.

Mr. NIELDS. Well, the record reflects that the finding was transmitted by Director Casey in a cover memo, dated the 26th of November. That is Tuesday.

Mr. NORTH. Okay. So it would be in that timeframe, I would guess.

Mr. NIELDS. You are talking that day or earlier.

Mr. NORTH. Well, yes--as a matter of fact, maybe one of the things, and I don't recall it specifically, but one of the things I may have done on that Sunday would have been to work on the finding, although I would guess the finding didn't actually begin until later on.

Mr. NIELDS. The committees' other information would indicate that the finding began on a Monday.

Mr. NORTH. Okay.

Mr. NIELDS. But I would like to take you back to the Friday, Saturday period of time when efforts were being made to obtain the landing rights in the European country, and you ran into a snag because we were unwilling to identify the materiel in writing.

I guess first I would like to ask you: Was it your understanding that the materiel had not been identified earlier?

Mr. NORTH. To whom?

Mr. NIELDS. To the foreign government officials.

Mr. NORTH. I am not sure that I ever had a particularly clear understanding as to what the foreign officials ever did know about that. And I guess at some point General Secord may have told me what he told them he knew, because I had briefed him before he left. But I don't know what he or the U.S. Government people on scene actually told the foreign officials.

RPTS DINKEL

DCMN DANIELS

[3:00 p.m.]

Mr. NIELDS. Well, you can't land 120 or let's say 80 Hawk missiles in a jumbo jet, unload it, store it, and then put it back on 3 small planes at an airport without people there knowing that you are transporting something other than oil drilling equipment, can you?

Mr. NORTH. It depends upon what they are packed in. What you just hit on is one of the reasons why we were so concerned with this whole operation to begin with.

There were major problems operationally in this thing right from the start; and what bothered me most of all, and I think I communicated that fairly clearly to my superiors, is here, fix it, and the thing is already on fire and they threw the bag to you and you know what is in the bag. That is a serious problem.

Mr. NIELDS. My question to you is, when you suggested to Mr. McFarlane that he obtain approval from the foreign government official, are you telling us that it was your understanding that Mr. McFarlane wasn't going to mention what he was asking approval for?

Mr. NORTH. I was going to leave that up to Mr. McFarlane's judgment. He knew what was on that airplane. I knew what was on the airplane. I am asking him to talk to the foreign official to get permission for him--to get the airplane on the ground. I didn't--I don't think I made a recommendation one way or the other when I communicated with him.

Mr. NIELDS. In any event, Mr. Clarridge, during this period of time, is sending cables back and forth to the embassy in the foreign country on this same issue?

Mr. NORTH. I take it that he was. I am not sure I ever saw any of those cables, but I may have.

Mr. NIELDS. Well, I don't want to offer them one by one, but there are a number of them which have been marked exhibits and they are 61, 62, 63, 64, 65, 66, 67, 68, and 69.

You needn't read them because my question is going to be the same. My question is going to be, was Mr. Clarridge aware at the time when he was responsible for sending cables back and forth on this issue that the thing had run aground because we were unwilling to identify the cargo in writing?

Mr. NORTH. And I cannot answer that question because I don't know.

Mr. NIELDS. Are you saying you don't know or you don't recall?

Mr. NORTH. Well, the way you asked your question was Mr. Clarridge aware. And I don't recall when Mr. Clarridge became aware. I do recall confirming to him at some point that it was not oil drilling equipment, that it was Hawks, and it was my understanding that at that point, he talked to either the Director of Operations or to the Deputy Director who became angry, and I think there may be a contemporaneous note in my notebooks to that effect.

Mr. NIELDS. In other words, you are saying that you told Mr. Clarridge what the real cargo was prior to the time the Deputy Director got angry and insisted on a finding?

Mr. NORTH. I am not saying that for sure. I am saying that is the way it may well have happened. I do recall, although I do not recall the time and date, confirming to Mr. Clarridge when asked, ''The cargo is not oil drilling equipment, the cargo is Hawks.''

Okay. Now, I cannot tall you, Mr. Nields, here at this point, a good while after the fact, when that point was.

Mr. NIELDS. But I take it you are saying it was very close in time to when the shipment actually was sent and your best recollection is that it was prior to the time that the Deputy Director hit the roof, so to speak?

Mr. NORTH. Yes.

My recollection is that is why he hit the roof.

Mr. NIELDS. Now, I am going to return to the question of what officials knew about this shipment in a moment, but before I do, I want to return to the question of why only 18 Hawks were sent and there were no further shipments.

# EXHIBIT DRC-6-B

NORTH HEARING
TESTIMONY

them concerning your contacts with DOD on the subject of Hawks?

Mr. NORTH. I recall reporting to both of them voluminously about this whole problem.

Mr. NIELDS. All right. You are getting--

Mr. NORTH. You probably have the records and I don't.

Mr. NIELDS. You are getting into the next area I want to take up, which is who in the government was aware of the Hawk transaction at the time it occurred? I take it you were aware?

Mr. NORTH. I was aware.

Mr. NIELDS. Admiral Poindexter was aware?

Mr. NORTH. Yes, he was.

Mr. NIELDS. Mr. McFarlane was aware?

Mr. NORTH. That is correct.

Mr. NIELDS. You have already given some testimony about Dewey Clarridge. I would like to ask you a few more questions about that. And I would like you to turn to a page from your spiral notebook which, again, are Exhibit 69-A. This one is dated the 25th of November.

Mr. NORTH. Dated again, sir?

Mr. NIELDS. It is the 25th of November, but I am actually going to ask you to take a look at the last entry on the 24th of November, first.

Mr. SULLIVAN. We seem to go from 28 October to 1

December.

Mr. NIELDS. I think there are a number of pages that are--have the wrong month on them. I suspect that that is what you are dealing with. I think 28th of October is actually 28th November. So, move backwards.

Mr. SULLIVAN. What is the writing on it?

Mr. NIELDS. On the 24th, it is the last page that has the 24th as the date on it. And at the top, it is ''Dick Copp.'' Do you have that in front of you?

Mr. NORTH. I have a 24 November, 1654 Dick Copp.

Mr. NIELDS. In the middle of the page, there is an entry, 1852; do you see that?

Mr. NORTH. I do.

Mr. NIELDS. I take it that is 6:52 p.m.?

Mr. NORTH. Right.

Mr. NIELDS. And in your handwriting, it says ''called to/from Clarridge''.

Mr. NORTH. Yes.

Mr. NIELDS. Dash--I take it this is a conversation with Clarridge?

Mr. NORTH. Apparently so, yes. It must have been on the telephone.

Mr. NIELDS. And it says then, ''no manifesto provided.''

Mr. NORTH. I think that is probably manifests.

Mr. NIELDS. Excuse me. Manifests. ''George says that they have hope of talking way cut.'' First of all, do you know what that refers to?

Mr. NORTH. If I could remember who George was, that would help. I am not trying to be flippant about that. I don't remember. There is a telephone number written below it for George that is apparently a U.S. number. What I sense is that that is talking about--

DOWN HILTON

Mr. FIELDS. We won't mention his last name, but I think he's a CIA official. And I am going to ask you whether the conversation doesn't have to do with the plane.

Mr. NORTH. I certainly sense it has to do with the aircraft. I would guess that the "no manifests provided" is a call from a person. In fact, if the George is in the Air Branch, that would indicate to me that he had called and said, you know, this thing is still very screwed up, there's no manifests; now what are you going to do? And--

Mr. FIELDS. So this is information that's coming from Mr. Clarridge to you?

Mr. NORTH. Well, either that or I called--it says, "If you will note my note, up above, 1852, called to, and then, from Dewey Clarridge. There may have been a series of phone calls back and forth, and I don't know which is which.

Mr. FIELDS. Regardless of who is calling whom, the information is flowing from the CIA to you?

Mr. NORTH. Apparently so, yes.

Mr. FIELDS. And they are saying that they have hope of talking their way out. I take it these are the people who are flying the plane carrying the Hawks?

Mr. NORTH. My guess is that's correct, yes.

Mr. FIELDS. And they've got to talk their way out.

Mr. NORTH. Talk their way out of wherever they are stuck, if that's what's happened.

Mr. NIELDS. They are stuck at a landing point between Israel and Iran, I take it?

Mr. NORTH. I don't recall the event, but undoubtedly everything else having gone wrong with this, that went wrong, too, yes.

Mr. NIELDS. My question is, when you had this conversation with Mr. Clarridge about no manifests and the people flying a plane are going to have to talk their way out of it, did Mr. Clarridge know at that time what they were talking their way out of?

Mr. NORTH. It is my guess what that refers to is they are going to talk their way out of the airfield. You know, we don't have a manifest, I am sorry; we are carrying whatever it was they were saying at the time, and we will be leaving now, kind of talk their way out of it.

Mr. NIELDS. My question is, at that point in time, was Mr. Clarridge yet aware of the nature of the cargo?

Mr. NORTH. By the 24th? I do not know.

Mr. NIELDS. All right. Turn the page, if you would. It says, ''25 November.''

Mr. NORTH. Right.

Mr. NIELDS. At the top. ''7:20 a.m., call from Dewey.'' Do you have that in front of you?

Mr. NORTH. I do.

Mr. NIELDS. This is a call from Clarridge, I take it?

Mr. NORTH. Right.

Mr. NIELDS. And you are taking notes of what he's saying to you?

Mr. NORTH. Yes.

Mr. NIELDS. And are there--just answer this question yes or no, please--are there words circled?

Mr. NORTH. There are.

Mr. NIELDS. Okay. Don't mention the words that are circled.

Mr. NORTH. Understood.

Mr. NIELDS. It says, ''aircraft,'' does it not?

Mr. NORTH. Right. ''Blank have told us to use blank blank.''

Mr. NIELDS. And then it says, ''Cargo must be listed as machine parts, spares for oil industry.''

Mr. NORTH. Right.

Mr. NIELDS. That's Mr. Clarridge telling you?

Mr. NORTH. Again, by I told you that, I had originally dissembled with the Agency, in my initial contacts with the Israelis, we agreed that we would call these machine parts for the oil fields or whatever, that we specifically talked about when--in my discussions with the Israelis way back on the 17th or 18th, that was the agreement we had come to. So

I--you know, I had told people at the CIA that.

Mr. NIELDS. I understand that.

Mr. NORTH. You are asking me if I by now had told Mr. Clarridge the truth about what is on that cargo, and I cannot tell you, counsel, when it was that I apprised him of it.

Mr. NIELDS. Or that he found out from some other source.

My question is, why would--if Mr. Clarridge is telling you, telling you that the cargo must be listed as machine parts, spares for oil industry, does that indicate that he was then aware of what the real cargo was?

Mr. NORTH. Not necessarily to me. Because what that may indicate is that he had made arrangements with the people in the circles through his station chiefs for a clearance with a manifest that reads a certain way. And what he's telling me is to go back through Copp, General Secord, and make darned sure that the proprietary is instructed accordingly.

I'm not sure what--I'm trying to answer your questions in a very straightforward manner. I don't know what question we are trying to answer here.

Exhibit DRC-7

UNCLASSIFIED

Charlie Allen deposition
4/21/87

schlepping goods from one part of the world to another?

A I did not know that.

Q Now let's move to November 23, 1985. You did become aware of November 23, 1985, of an airplane or airline arrangement relating to the hostages; isn't that correct?

A I don't think I would phrase it that way.

Q I hope you wouldn't. Phrase it better than that.

A I was called at home and Colonel North wanted to know why I was at home. He wanted me to show [redacted] materials on this Iranian initiative to Mr. Clarridge, who was Chief of the European Division, and said why don't you go to work. So I did that, and I went to work and I went up and obtained my file [redacted] and took them down to Mr. Clarridge, who was there in his office, and most Directorate of Operations Chiefs are there on a Saturday morning.

And so it wasn't unusual to find him there. He read them. I said I'd been asked to do this by Colonel North because Colonel North wanted you to understand that this was a very serious initiative under way by the White House.

And Mr. Clarridge leafed through them -- by that time there were quite a number [redacted] -- and indicated that yes, he believed this was a serious initiative. And he told me that Colonel North had requested some assistance in obtaining a name of a reliable charter airline. He had been trying to do this. I believe also he indicated he was going

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
DRC-7

to try to obtain some form of clearance for aircraft to land in a certain country that fell within his divisional responsibilities.

And that country, I believe, was [redacted].

Q Let me sort of walk you through this step by step. You would have gotten a telephone call from Colonel North on the morning of Saturday, November 23.

A That's correct.

Q Approximately what time?

A Well, I think he called -- I was going to go to a football game with my family, and he called about 8:30 or 9:00 and said that that was out of the question. I had to come to the office and help him because he wanted to make sure Mr. Clarridge was aware that this was a serious initiative.

And when I arrived at the office I called Colonel North on secure, I believe, and he said it was a serious effort, that he was having some problems, that things had to be accelerated and for me to go down and see Mr. Clarridge, which I did.

And then Mr. Clarridge explained that Colonel North was looking for a reliable charter airline to move some equipment to Iran.

Q Mr. Clarridge had not been privy, to your knowledge, to [redacted] prior to this time; is that correct?

A To the best of my knowledge he'd never seen them and indicated so when I showed them to him. It came as a surprise to him that these [redacted] existed.

Q I'm having a little trouble following why it was that you would have shown [redacted] to Clarridge to help establish North's bona fides. I'm having trouble with that.

A Not North's bona fides but the bona fides of the initiative, which was clearly directed at getting hostages out of Lebanon, also clearly directed at Iran.

Q Do you recall any discussion with Mr. Clarridge or anyone else or Mr. Clarridge talking either directly or indirectly to Mr. McMahon about whether or not he ought to proceed with this matter?

A I don't recall that at all.

Q Do you recall talking to Mr. Juchniewicz about that aspect of things on the morning of the 23rd?

A No, I did not talk to Mr. Juchniewicz.

Q With regard to Mr. Clarridge, he was there at the time you arrived, right?

A He was in his office when I came down from the seventh floor to the fifth floor, where he is located.

Q And that would have been approximately --

A Fourth floor.

Q That would have been approximately what time of day?

A I imagine I arrived there about 9:30, 10:00.

Q So you arrived at his office about 9:30, 10:00?

A I arrived probably in my office about 9:30. I picked up my mail and I think I had another [redacted] I looked at that and I included that in the reading material for Mr. Clarridge.

Q Then, when you walked down to see Mr. Clarridge, Mr. Clarridge indicated to you that he'd been there for some time, had he?

A He didn't say how long he'd been there.

Q Did you know how long he'd been there?

A No.

Q Do you know today how long he'd been there?

A No.

Q In terms of what Mr. Clarridge told you he was about, what did he tell you?

A He stated that he was working on obtaining a charter, trying to help Colonel North obtain a charter airline, and that Colonel North needed the name of a reliabl airline that could be passed to an intermediary working this proble [redacted] Mr. Clarridge didn't seem to know much about the initiative except that he said Colonel North was e route to his office and that he would have more details.

Meanwhile, I believe he was working on the proble and the idea had occurred that they might use the CIA proprietary, might just use this as a normal charter activity.

Q That idea was abroad as of the time that you met with Clarridge that morning?

A I would say it certainly had occurred to Mr. Clarridge.

Q Was there anyone else present when you had this conversation with Mr. Clarridge?

A I don't think so. Later in the day Colonel North arrived and [redacted] I believe, who is head of [redacted] arrived.

Q Now you were present when Colonel North arrived?

A I think I went back to my office and then later I returned and Colonel North had arrived.

Q At what point was a representation made to you about the cargo to be carried by this aircraft, whosever aircraft it might be?

A I can't recall specifically, but Colonel North stated emphatically that this was oil-drilling equipment that was being sent into Iran. It was related to the meetings occurring in Geneva. I believe in my presence and Mr. Clarridge he made a call to the Deputy National Security Advisor, at the time Admiral Poindexter, to get Admiral Poindexter's endorsement to proceed with this activity.

Q I'm sorry -- Admiral Poindexter or Mr. McFarlane?

A Well, I think he may have called both. He made a number of telephone calls while I was there.

Q Was Colonel North actually present and were you present when Colonel North actually said that this was oil-drilling equipment?

A Yes, I heard him say that.

Q You heard him say that?

A Yes. I've testified to that and I'll testify again. I heard him say it.

Q Now during this period of time, up to the time you had the meeting with Colonel North, were you aware of or were you shown any of the cable traffic that was being generated to and from Mr. Clarridge?

A To and from Mr. Clarridge?

Q Um-hum.

A I knew that cables were going out [redacted] and also to, I believe [redacted] because I think Mr. Clarridge felt if an agency proprietary was used it would have to have some clearances. I don't recall the specific. I don't think I read any of the traffic specifically at the time.

[redacted] There were discussions between Mr. Clarridge and over the availability of air crews, the whole issue of appropriate cover for this airline so it would look like a normal charter activity. All that was required was for, I believe, the manager of the airline, the CIA proprietary, to be put in contact with a Mr. Copp [redacted]

Q With regard to time differences [redacted] in [redacted] translates to roughly [redacted] in the United States? Does that sound about right?

A Sounds about right.

Q So a conversation that took place in [redacted] at about [redacted] on the 23rd of November would translate to about [redacted] on the 23rd in the United States; isn't that right?

A No, that's wrong. If it were [redacted] --

Q [redacted] in [redacted]

A It would be about [redacted] here, about [redacted] difference between [redacted] and the United States.

Q All right. Did it come to your attention that there was a cable from [redacted] of a conversation that he had on the evening of the 23rd with a man he knew as Copp, who we now know is General Secord?

A No, I did not know of that at all.

Q Do you know of it today, that there were such cables?

A I knew there were cables, but I don't know where [redacted] directly discussed the matter with Mr.

# EXHIBIT DRC-8

UNCLASSIFIED

McMAHON dep
[illegible] 28

DEPOSITION
TESTIMONY

[illegible]
Exhibit DRC-8 ~~SECRET~~/CODEWORD

Q Did you express your concerns to anybody?

A I did with Casey, and also with [redacted] was very concerned about it, but nothing, you know, went beyond that.

Q You've described this both as an Israeli initiative and an NSC initiative. Which do you think it was and how do you put those two together?

A I think the arms for hostages with Iran was an Israeli initiative. When I speak of initiatives I think of the NSC beginning to play an active role in trying to release the hostages through foreign mechanisms, which NSC would normally do through either State or CIA, and it was the NSC itself doing it.

Q As far as you knew at the time, when did the NSC start this initiative?

A Oh, I can't recall, but I would say it has to be, you know, shortly after the hostages were taken and we couldn't do much about it.

Q I mean this particular initiative. I don't mean when did they start trying to find out where the hostages were and exploring alternatives to gain their release. I'm saying when did the NSC first start this initiative involving the shipment of arms from Israel to Iran to gain the release of the hostages.

A Well, if I look at the events of November '85,

~~TOP SECRET~~/CODEWORD

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
DRC-8

3572

I'd say it would have to be November 23, 1985, or 22nd, I guess it was, when the shipment went.

Q So up until that point you saw the NSC's role as merely monitoring an ongoing Israeli effort?

A Yes. And the tie was, you know, Israelis to the NSC and NSC people with these contacts. There was no station or ambassador involvement that I was aware of.

MR. LEON: Were you familiar, Mr. McMahon, with the proposal that Bud McFarlane in the summer of '85 had circulated to the Directors of Central Intelligence, Defense and State about an Iran initiative, opening up an initiative with Iran? Does that ring any bells to you?

THE WITNESS: No, it doesn't.

MR. LEON: Do you remember hearing anything from the Director about how he was in favor of McFarlane's proposal of opening up new doors with Iran and yet Weinberger and Shultz were not in favor of it?

THE WITNESS: That probably centers around a paper that was prepared by our National Intelligence Officer, Graham Fuller, that expressed his growing concern that the Iran situation with the U.S. had deteriorated to nothing and that as events transpired in Iran the Soviets are in a much stronger position there than we are, and therefore initiatives ought to be taken to try and bring Iran back into the western orbit.

He felt that while the U.S. had no cards to play that maybe we could encourage the western Europeans to play a greater role with Iran in order to keep them away from the Soviets.

BY MR. BARBADORO: (Resuming)

Q I want to turn to that weekend in November now and I'll try to get through a couple of things relatively quickly. Your memorandum of December 7, 1985, summarizes your knowledge of what was going on that weekend, and it says that you first learned of it on Saturday, November 23, when Ed Juchniewicz asked you if you were aware of the efforts transpiring to get the hostages out, and your answer was that you weren't aware of the specifics.

Is that the way you recall learning of what was going on that weekend?

A Now what he said wasn't the hostages. The way he phrased it, he said do you know what these guys are up to. And he handed me a cable which was addressed to the charge [redacted] and I think it was from the Deputy National Security Advisor. At any rate, it was the National Security Advisor or Deputy National Security Advisor, and it was kind of a cable that was bemoaning the fact that [redacted] would not help out on this humanitarian mission. And that was about the extent of it.

And I read it. It was one of those cables that had no distribution other than the division and the DDO. I gave it back to Ed, and I said, look, it's okay to send cables. We do that all the time for Secretary of State or Defense or what have you, use our channels because they are more secure. But I said make sure we don't get involved, and that was Saturday morning.

And then Monday morning I came in and he said hey, do you know what those guys did? And I said what guys, and he said Secord. Now that's the name I heard. And I said what was that. And he said they used our proprietary to send over some oil supplies, and I said goddam it, I told you not to get involved.

And he said, we're not involved. They came to us and we said no. And they asked if we knew the name of a secure airline and we gave them the name of our proprietary. I said, for Christ's sake, we can't do that without a Finding. So then I went back to my office and I punched a button and I said you get those guys together with Sporkin.

And then I think that was the 7:30 time frame -- 7:15, 7:30 time frame. Then I went back down about 9:00 and I went in. Clair George's door was closed, and I went into his office and he had a bunch of people in there, and Clair said I'm just finding out what's going on, because he was away for the weekend.

And [redacted] was there, who was running the paramilitary and air ops programs, and I said to him make sure you guys get over to Sporkin and we get a Finding. And then during the day I called Sporkin several times and I told him that I wanted a Finding and I wanted it retroactive to cover that flight.

And he came over, I think it was that night -- it may have been the next morning, but I think it was that night -- which would have been Monday, and this was after the air ops guys had briefed him, and he said well, we need a Finding, but I'm not so sure that we need a Finding for use of the proprietary. I said, what do you need the Finding for, and he said, well, they used our people overseas to contact government officials and they exerted influence on government officials.

I said okay, write the Finding. And I said be sure and make it retroactive, and he said I think I'll talk to the White House counsel and to Justice, and I said great. And he left and then, you know, the next day or so -- I can't tell you when -- I was standing at my table with several people around me and he came in and said here's this Finding.

It was a two-paragraph, very short Finding, and in that Finding it said, you know, we are directing you to provide everything you can think of, and I think it said, including munitions or something like that, and then the last paragraph was a kind of a quit claim that said, and this goes for any previous act any government official may have undertaken.

And I said perfect. I said get it to Casey and I said, get it down there.

Q Let me stop you there and ask you some questions about November 25. You were told on the 25th that Secord was involved?

A Yes.

Q Who told you that?

A Ed Juchniewicz.

Q And that was the first indication you had that Secord was in some way involved in this operation; right?

A Right.

Q What did he tell you Secord's role in the thing was?

A He didn't, and in fact it now seems rather incomplete, but I didn't even go into what was in the shipment. I accepted the fact it was oil equipment because, you know, the Iraqis had been pounding the hell out of Kharg Island.

Q Who told you it was oil-drilling equipment?

A Ed Juchniewicz.

Q When?

A On that --

Q On the Monday?

A On the Monday.

Q Did you connect this shipment in your mind with the ongoing Israeli initiative that you had read about [redacted]

A Yeah, but I didn't connect it in an arms sense, just that the Israelis were doing things with the Iranians, because it was my understanding that that shipment was going to Israel, not to Iran.

Q Did you think that it was ultimately bound for Iran?

A Yeah. I figured they'd transship it on their own planes into Iran.

Q But, in any event, on the 25th you didn't question Juchiewicz' assertion that it was oil-drilling equipment?

A My focus, and you might say it's strange, my focus was that we had done something wrong, that we weren't authorized to do, and I didn't care what was on that airplane. We had used our airplane to do something that we didn't have a Finding to do. And that's why I insisted on a Finding.

Q In your view it was the fact that the airplane was used to carry cargo bound for Iran that would have required a Finding regardless of the nature of the cargo?

A No. That was used our airplane to go anyplace at the request of someone else.

Q Well, the proprietary flew flights, though, for private individuals all the time, didn't it?

A But not arranged by CIA headquarters. They do them directly. They are out scarfing up their own business, but when we direct them to do something, when CIA headquarters gets involved, then we have to have an authorization to do that.

Q So as far as you were concerned any use of a CIA proprietary airline at the direction of the CIA would have to be done pursuant to a Finding?

A Definitely, unless it's out on an intel collection mission, put cameras in it or something like that.

Q When you learned that the proprietary had been used, your reaction was to immediately contact Mr. Sporkin and tell him that you needed a Finding prepared?

A Right.

Q You also told him in that first conversation that it needed to apply retroactively?

A Right.

Q Did you summarize what you knew about what had gone on that weekend for him?

A Nope. I just said I think our guys screwed up and you ought to take a look at it.

Q Did you think that the CIA was going to have to be involved on a continuing basis in this initiative, or did you think this was just a one-time occasion where over the weekend of the 23rd of November, one time, a proprietary plane was used?

A I didn't focus on that. All I knew is that we needed a Finding to cover that event. If the NSC in its dealings needed continued support, then we'd need a Finding to provide that.

Q And the only thing that you told Mr. Sporkin was that it had to apply retroactively? You didn't give him any other ideas as to what he should put in that Finding?

A No.

MR. LEON: Paul, could I ask one question?

In your capacity as the Deputy DCI would you deal with Sporkin one-on-one on a regular basis or just once in a while?

THE WITNESS: No. I think we had, you know, a frequent dialogue.

MR. LEON: Would he also have that kind of a relationship with the Director himself?

THE WITNESS: Oh, by all means, yes.

MR. LEON: They had been working together for years?

THE WITNESS: Yes. Sporkin was in the Agency because of the Director.

BY MR. BARBADORO: (Resuming)

Q In this meeting with Juchniewicz on the 25th what were you told about the NSC's involvement in the initiative?

A He didn't mention NSC. He referred to "those guys", which I assumed to be the NSC.

Q Did he mention Colonel North?

A No. But when I came back here, I guess in January or February -- I don't know when it was; I guess it was for the hearing with the Senate Select Committee-- somebody told me that Juchniewicz said it wasn't Secord he mentioned; it was North. And I said to Ed, I said, don't you remember, you know, pounding your chest, and he said no, I didn't use the name Secord. I used North.

But, you know, I hadn't had any reason to say Secord unless he told me that. But, you know, it could be. I mean, could he have seen it from a cable from [redacted] where Secord was stranded and tied it in that way? I don't know.

At any rate, after that Monday deal I told Clair George to get together all the traffic and make sure that everything that had transpired on this, that we were in tip-top shape, and said stay on top of this.

Q Did you talk to Dewey Clarridge on the 25th at all?

A Late at night, late in the evening, let's say 6:00-7:00, something like that, Dewey came in with a cable to go out, and he said the Ambassador's been calling and trying to get ahold of Casey and he wanted to know if, you know, he should pursue with [redacted] to get their approval, and this cable said, you know, tha Director is not here, but this was a National Security Council mission or operation and that he is not to pursue it further, and we signed it and sent it out.

Q Were you reading the cable traffic that was coming in and out that day on this issue?

A No.

Q On November 25 at [redacted] time a cable was sent to headquarters from [redacted] describing the operation and in the cable [redacted] notes that the pilot told the ground controller [redacted] that he was carrying military equipment. Do you ever remember reading that cable?

A No.

Q Did anybody tell you that there was an issue where the pilot had told the ground control [redacted] that the plane was carrying military equipment?

A No. I'm not so sure that would surprise me, you know. What the plane was carrying was not my focus.

Q It didn't matter to you one way or the other?

A It didn't matter to me one way or the other.

Q When did you first come to doubt that there was oil-drilling equipment on the plane?

A I don't know. I've been asked that question before and I just can't put a time on it. If I was smart, I would have reacted where I saw the draft Finding that Sporkin had prepared because in there he had used the term "weapons" or "munitions" or something like that, but that just didn't focus on me at the time.

Q From the cable traffic it's apparent that planning for this operation continued well into December. Were you aware that planning was ongoing to continue this operation, to do additional flights into December?

A No. I just told our guys that they weren't going to do anything more until we got a Finding.

**MR. EGGLESTON:** There were two things that were in your memorandum of December 7 about November 25 that I wanted to ask you about. There's a line -- and I'll be glad to show it to you -- there's a line that

UNCLASSIFIED

reports on apparently your conversation with Juchniewicz of that day which says: "When General Secord visited the Agency he tried to get leads on airlines that might be available to move equipment to the Near East in a secure fashion."

Do you recall Juchniewicz -- I mean, this is your memorandum I'm reading from.

THE WITNESS: No, I don't recall that, and I don't recall Secord coming to the Agency.

MR. EGGLESTON: That's why I was curious. Do you recall today that Juchniewicz had told you that he had actually come to the Agency to look for --

THE WITNESS: No.

MR. EGGLESTON: The other thing I wanted to ask you about was did you have any conversation with Dewey Clarridge about what might have been on the aircraft or was he telling you about the efforts?

THE WITNESS: No. The only contact I had with Dewey on this was when he came in that Monday night with the cable going out to [redacted]

MR. EGGLESTON: And it's clear to you that you didn't have any knowledge about the use or proposed use of the proprietary until November 25?

THE WITNESS: You bet your life. I did not know until after the fact.

UNCLASSIFIED

## EXHIBIT DRC-9

UNCLASSIFIED

EXHIBIT
DRC-9

From NSOLN --CPUA
To: NSJMP --CPUA

Date and time [illegible] 55

RECEIVED
FBI
NOV 29 [illegible] 9908
Copy's Receipt

*** Reply to note of 08/31/85 13:26

-- ~~SECRET~~ --

NOTE FROM: OLIVER NORTH
Subject: PRIVATE BLANK CHECK
Subject: Current Status of Operation Recovery: Following summary is based on discussions in Geneva among Kimche, Copp, Gorbanifahr and [redacted] which were concluded this weekend, subsequent discussions with Mendy Meron here in Washington which are continuing, and calls btwn Copp and Kimche's asset (Nimrodi) who is "baby sitting" the Iranians in Paris (where they are are receiving guidance from Tehran).

The attempted transfer [redacted] of 10 Hawk missiles went awry because the Iranians were in fact seeking a weapons system that would be capable of stopping Soviet reconnaissance flights along the Iranian/Soviet border and on the Iranian/Iraqi border. Gorba rptd that these flights occur regularly and as deep as 40mi inside Iranian airspace. Because Schwimmer and Ledeen were unfamiliar with the operational parameters of the HAWK, they agreed to ship 120 weapons that were totally inadequate to meet the rqmts established by the Iranians. This delivery has created an atmosphere of extraordinary distrust on the part of the Iranians; in Kimche's view, because the credibility of the Gorba/[redacted]ission has probably been seriously called into question.

Despite this perception (Gorba said numerous times that this whole thing was a "cheating game" on the part of the Israelis , Copp & Kimche have been able to proceed with a renewed dialogue which still promises hope for achieving our three objectives:
-- support for a pragmatic - army oriented faction which could take over
   in a change of government
-- return of the five AMCIT hostages
-- no more terrorism directed against U.S. personnel or interests.

From these ongoing discussions, which in two cases included Iranian military officers, Copp and Kimche conclude that the military situation in Iran is desperate. The Iranian descriptions of the state of their equipment, lack of competent management, inability to use much of the remaining U.S. materiel portends the real possibility of a military collapse (at least by the Army) in the near to mid-term. Thus, there is considerable pressure on the interlocutors in Europe to produce - quickly.

Given the relatively low level of competence on the part of the Iranians in Europe, and the fact that any supplies delivered will undoubtedly have to be examined by an Army or Air Force officer, it is very doubtful that a "single transaction" arrangement can be worked out with the parties in Tehran, no matter what is agreed to in Europe. In short, they have been "scammed" so many times in the past that the attitude of distrust is very high on their part. At the same time, in all discussions (including today's phone calls) they are desperate to conclude some kind of arrangement in the next 10 days and have even asked that the meeting scheduled for Saturday in London be advanced. Based on what we can conclude [redacted] the hostages (the only [redacted] we believe that they are very concerned that Iranian leverage point besides the Jews in Iran) may be killed or captured/ released by the Syrians, Druze, Phalange or Amal in the near future. Waite's contacts with the captors seems to corroborate this assessment. In short,

357

T11

UNCLASSIFIED

UNCLASSIFIED

N 9909

time is very short for all parties concerned.

Finally, there is the matter of the longer term strategy for what we should be attempting to accomplish viz a viz the Iran-Iraq war and a more reasonable government in Iran. From my personal discussions with Kimche and Meron it is apparent the the Israelis want: the war to continue at a stalemate, a more moderate Iranian government in the end and will somehow find a way to continue getting their people (Jews) out of Iran through some kind of barter arrangement. In that the first two of their goals are, it would seem, generally congruent w/ our interests, and their last a fact of life, we should probably be seeing the return of the AMCIT hostages as a subsidiary benefit -- not the primary objective, though it may be a part of the necessary first steps in achieving the broader objectives. While Kimche, Meron, Copp and I all agree that there is a high degree of risk in pursuing the course we have started, we are now so far down the road that stopping what has been started could have even more serious repercussions. We all view the next steps as "confidence building" on the part of both sides. None of us have any illusions about the cast of characters we are dealing with on the other side. They are a primitive, unsophisticated group who are extraordinarily distrustful of the West in general and the Israelis/U.S. in particular. They have not the slightest idea of what is going on in our government or how our system works. Today for example, Gorba called Copp in absolute confusion over the fact that Rafsanjani had just received a letter from (of all people) Sen. Helms regarding the American Hostages. Since the Iranians are adamant that they not be publicly connected with the seizure, holding or release of the AMCITs, why, Gorba wanted to know, was Helms being brought into this "solution to the puzzle." Gorba reiterated that "Batri ought to have more control over the members of his parliment" than to allow them to confuse an already difficult problem. Dick told him the letter had nothing to do with what we are about, but Gorba did not seem convinced that this wasn't some sort of effort to embarass Iran.

Given this very unsophisticated view of things on their part and the distrust that the Iranians obviously feel, we believe that if we stop the current effort at this point and do not at least proceed with a "test" of the current relationship we:

-- run the risk of never being able to establish a "foothold" for the longer term goals in that the people we are dealing with will be totally discredited at home; and
-- incur the greater likelihood of reprisals against us for "leading them on." These reprisals could take the form of additional hostage seizures, execution of some/all of those now held, or both.

While the threat to carry out sanctions against us has not, to my knowledge, ever arisen (it certainly has not since Kimche/Copp/North have been directly engaged -- and Michael never mentioned it), it is interesting to note that when Copp questioned the bona fides of Gorba and his cohorts as capable of delivering on their end of the arrangement, Gorba carefully noted that since these discussions began w/ Michael & Schwimmer, there has not been a single Islamic Jihad bomb threat, hijacking or kidnapping -- and that there would be none if this "worked." D.K., Copp and I regard this to be at least one sign of confidence that this activity may yet prosper. There are some lesser indications of confidence in recent days:

-- in response to Copp's demand for funds to be deposited in advance to defray operational costs, and what the Iranians were told were "purchases" on the arms market" a total of $41M has been deposited;
-- the 18 HAWKs delivered last week have been repackaged and are ready for return to origin on the next available flight;
-- the parties in Europe continue to stress that their requirements are long-term and that they are anxious to get on with a longer range program

UNCLASSIFIED

[redacted] ~~UNCLASSIFIED~~

of Israeli originated support which would include technical assistance w/ sophisticated hardware which is critically needed but deadlined (in this regard Gorba at one point noted that at times they have as few as 50 operational tanks and less than a dozen flyable aircraft).

N 9910

With all of the above as a lengthy preamble describing two nearly frantic weeks w/ the Israelis & Iranians, the following proposal has evolved which the Iranians today said they ud like to discuss in detail on Saturday:

-- The total "package" from the Israelis ud consist of 50 I HAWKs w/ PIP (product improvement package) and 3300 basic TOWs.
-- Deliveries ud commence on or about 12 December as follows:

H-hr: 1 707 w/300 TOWs = 1 AMCIT
H+10hrs: 1 707 (same A/C) w/300 TOWs = 1 AMCIT
H+16hrs: 1 747 w/50 HAWKs & 400 TOWs = 2 AMCITs
H+20hrs: 1 707 w/300 TOWs = 1 AMCIT
H+24hrs: 1 747 w/2000 TOWs = French Hostage

33

All involved on our side recognize that this does not meet one of the basic criteria established at the opening of this venture: a single transaction which ud be preceded by a release of the hostages. However, given the points above regarding the mutual distrust in the dialogue, we all believe it is about the only way we can get the overall process moving. Measures have been taken to reduce the chance for duplicity on the part of the Iranians and to preserve a measure of OPSEC in carrying out the transaction. In the case of a double cross, one of the Iranians will be in the hands of assets we control throughout. One of them [redacted] has already suffered a serious (though apparently not fatal) heart attack after last week's HAWK transaction failed to produce results. The first two deliveries, via 707 freighters are relatively small and if they do not produce the desired outcomes, all else stops. All $ are now under our control.

OpSEC concerns are threefold: communications, deliveries enroute to Iran and replenishment of the Israeli stocks. To solve the first problem an OPs Code is now in use by all parties. This code is similar to the one used to oversee deliveries to the Nicaraguan Resistance and has never been compromised. The delivery/flight planning security problem has been solved by a much more deliberate selection of aircraft and aircrews as well as a series of transient airfields which can be used enroute to the field controlled by the Iranian Army at Tabriz. Appropriate arrangements have also been made to ensure that the overflight of [redacted] is not challenged. All A/C will be inspected by one of the Iranians at a transient location between Tel Aviv and Tabriz. Before the A/C actually crosses into Iranian airspace, the appropriate release(s) must occur. The last OPSEC concern, that of replenishing Israeli stocks, is probably the most delicate issue. The quantity of TOWs requested represents [redacted] Meron and I are working w/ the Israeli purchasing office in NYC to ensure that the replenishment can be accomplished quickly after December 12 as possible. All recognize that quantities [redacted] degrade Israeli readiness and that the items will need to be dispatched quickly in order to preclude disaffection and leaks. Meron has solved at least one of the problems in this regard by identifying a means of transferring the required cash to an IDF account which will allow cash (rather than FMS credit) purchases from the U.S.

In order to put this plan into action, Kimche, Copp, Schwimmer and Goode plan to meet in London on Saturday morning to review all arrangements. If

UNCLASSIFIED

UNCLASSIFIED

we are satisfied that all our assets (money, aircraft, aircrews, transit facilities, overflight arrangements and military equipment) are prepared, Copp and Kimche will meet at another hotel with Gorba and [redacted] to finalize the plan. Our side will then reconvene later in the evening at our hotel to review any last minute changes. I wd then call you (using the Ops code), transmit the agreed upon arrangements for approval and, if you concur, Kimche & Copp will meet again w/ the Iranians on Sunday a.m. to express our agreement with the plan. Copp & Goode wd return to the U.S. Sunday p.m. on seperate flights. On the 11th, the day before the plan is to be executed, Copp will establish a CP in [redacted] at the [redacted] controlled airfield [redacted] where he can monitor implementation and stop it at any point we desire. The secondary fields [redacted] will be covered by Copp controlled assets who are not witting of the true origin, destination or contents of the A/C but who can "fix" things in a hurry if something goes wrong. One of our other people will be in contact in [redacted] throughout.

N 9911

[redacted]

Once in hand, the hostages will be floun [redacted] to Larnaca on our Navy HH-53 where they will be picked up by a EUCOM C-141 and floun to Wiesbaden for debriefing. 18hrs later Oakley will proceed from Andrews AFB to Wiesbaded with family members -- thus allowing us 24 uninterrupted hours for debriefing. The debrief team will be staged at Wiesbaden 12 hours in advance, just as we did two weeks ago without notariety. Dewey is the only other person fully witting of this entire plan. Copp is not briefed on [redacted] though he suspects. The Israelis are in the same position. Dewey and I have been through the whole concept twice looking for holes and can find little that can be done to improve it given the "trust factor" with the Iranians. In that all parties involved have great interest in keeping this as quiet as possible, [redacted] we beleive it to be worth the risk. I have not confided in Dewey re the longer term goals we could/should hope to achieve. Thus, the only parties fully aware of all dimensions of what we are about are you and RCM.

I have given careful consideration to what you suggested re an RCM meeting with the Iranians in an effort to obtain release of the hostages before starting on an effort to undo the present regieme in Tehran. Like you and Bud, I find the idea of bartering over the lives of these poor men repugnant. Nonetheless, I believe that we are, at this point, barring unforseen developments in London or Tel Aviv, too far along with the Iranians to risk turning back now. If we do not at least make one more try at this point, we stand a good chance of condemning some or all to death and a renewed wave of Islamic Jihad terrorism. While the risks of proceeding are significant, the risks of not trying one last time are even greater.

END OF NOTE

LZ3 C30

From: NSOLN --CPUA Date and time 12/04/85 02:02:55
To: NSJMP --CPUA

*** Reply to note of 08/31/85 13:26

-- ~~SECRET~~ --

NOTE FROM: OLIVER NORTH
Subject: PRIVATE BLANK CHECK
Subject: Current Status of Operation Recovery: Following summary is

UNCLASSIFIED

## EXHIBIT DRC-10

~~SECRET~~

UNCLASSIFIED

28 November 1986

MEMORANDUM FOR THE RECORD

The following is a reconstruction of cryptic notes that I have from a 5 December 1985 meeting in DDCI John N. McMahon's Office with then DDI, Bob Gates; D/NESA, [redacted] then ADDO, Ed Juchniewicz; then C/NE Division; [redacted] and I believe then DC/Europe [redacted]

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

° The DDCI requested facts on the following by the next day:

--The political scene in Iran, including any possible dissension, unrest, etc;

--Biography of [redacted]

--Verification of [redacted]

--Was it true that Iran was trying to get U.S. Hawk missiles to knock out Soviet Bear aircraft over Iran or the Iran/Iraq border.

--The status of the Iran/Iraq war, including a prognosis of what each might do and a table reflecting an order of battle for each side.

° DDCI noted that he would be attending a meeting at 10:00 AM on Saturday, 7 December, with the President regarding the expansion of the informal link between the Iranians and the Israelis;

--He noted that a new "private interlocutor" was working with Israeli Foreign Ministry Official David Kimche;

--Noted that Iran wanted to get closer to the United States and wondered (DDCI) whether this could be a ruse to get Hawk missiles.

° DDCI noted that Saturday's meeting would take stock of the two-track program now underway: one to free the hostages and the other to expand our ties with Iran. Meetings were planned in Geneva between the United States and Iran in the short term.

3574

UNCLASSIFIED

EXHIBIT
DRC-10

CIIN #101

~~SECRET~~

- [redacted] reviewed what had been done so far:

  --One plane load had been sent to the Iranians on 24 November; we did not know if that included Hawk missiles;

  --Oliver North was to get to London that weekend for discussions; the following week he was arranging up to five plane loads, including 747s;

  --These would probably overfly [redacted] going from Israel [redacted] to Iran;

  --President signed the finding; (I am not certain who at the meeting actually said this.) [redacted] [illegible]

  --Oliver North was lining up the planes; we don't know how.

- In response to a question about a clearance for the landing rights, someone noted that [redacted] were standing by;

- A question was raised regarding a plane going to Iran from Jerusalem and possibly stopping in Texas; [redacted] No further information was available.

- A review of recent Iranian reporting noted the following:

  --No real opposition that we could capitalize on;

  --Khomeini seemed to be in better health;

  --The economic situation was deteriorating;

  --The possibility of a new major offensive could stimulate opposition within Iran;

  --Key players were Kimche and the private U.S. citizen--interlocutor.

  --Weir released for one plane load; got nothing for second load. [redacted]

  --DDCI requested that the source of this information be checked.

- DDCI also requested any intelligence coverage [redacted]

C11N 0101

[illegible]

- [redacted]
- CIA had so far spent [redacted] for a total of [redacted] on the hostage issue. DDCI emphasized money spent to continue the intelligence flow regarding the location of the hostages was permissible.

[redacted]

## Exhibit DRC-11

UNCLASSIFIED

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

General Counsel

26 November 1985

NOTE FOR THE DIRECTOR

RE: Presidential Finding on
Middle East

Bill:

Here is a ribbon copy of the Finding we discussed this morning. This is the copy which should be executed.

/s/

Stanley Sporkin

Attachment

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3575

EXHIBIT
DRC-11

CIIN 2917

UNCLASSIFIED

~~TOP SECRET~~/[redacted]

UNCLASSIFIED

DRAFT

**Finding Pursuant to Section 662 of the Foreign Assistance Act of 1961, As Amended, Concerning Operations Undertaken by the Central Intelligence Agency in Foreign Countries, Other Than Those Intended Solely for the Purpose of Intelligence Collection**

I have been briefed on the efforts being made by private parties to obtain the release of Americans held hostage in the Middle East, and hereby find that the following operations in foreign countries (including all support necessary to such operations) are important to the national security of the United States. Because of the extreme sensitivity of these operations, in the exercise of the President's constitutional authorities, I direct the Director of Central Intelligence not to brief the Congress of the United States, as provided for in Section 501 of the National Security Act of 1947, as amended, until such time as I may direct otherwise.

| SCOPE | DESCRIPTION |
|---|---|
| Hostage Rescue - Middle East | The provision of assistance by the Central Intelligence Agency to private parties in their attempt to obtain the release of Americans held hostage in the Middle East. Such assistance is to include the provision of transportation, communications, and other necessary support. As part of these efforts certain foreign material and munitions may be provided to the Government of Iran which is taking steps to facilitate the release of the American hostages.<br>All prior actions taken by U.S. Government officials in furtherance of this effort are hereby ratified. |

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. [illegible], National Security Council

[redacted]

The White House
Washington, D.C.

Date:

UNCLASSIFIED

3575a

C11N1118

~~TOP SECRET~~/[redacted]

032

437

## Exhibit DRC-12

~~SECRET~~ UNCLASSIFIED

Exhibit DRC-12

7 December 1985

EXHIBIT
DRC-12

MEMORANDUM FOR THE RECORD

SUBJECT: NSC Mission

1. On Saturday, 23 November 1985, Ed Juchniewicz asked me if I was aware of all the activity transpiring on the effort to get the hostages out. He showed me a cable to [redacted] asking that we pass a message to the charge from the Deputy Assistant to the President for National Security Affairs. The message assured the charge that only the Secretary of State and Ambassador Oakley were aware of the operation. I told Juchniewicz that I was unaware of the specifics of the operation but due to the sensitivity of the operation, it was appropriate that we pass correspondence between the NSC and the ambassadors overseas, but only communications, that we could not be involved without a Finding.

2. On Monday, the 25th of November, while visiting the Office of the DDO, [redacted] was present and had given Clair George a Spot Report on a flight that [redacted] had made in support of the NSC mission. I went through the overhead pointing out that there was no way we could become involved in any implementation of this mission without a Finding. Mr. Juchniewicz explained that we did not make the arrangements. When General Secord visited the Agency he tried to get leads on airlines that might be available to move equipment to the Near East in a secure fashion. We told him we did not have any such airlift capability. However, Mr. Juchniewicz said it was pointed out to General Secord that there was a commercial airlift that might do it owned by [redacted] General Secord then took it from there and made arrangements for a flight on a strictly commercial basis.

3. Somewhat distressed at this turn of events, I immediately informed our General Counsel after confirming with Dewey Clarridge our involvement. I instructed the [redacted] personnel to immediately go over and brief the General Counsel and so advised the General Counsel at 6:15, the evening of 25 November. He informed me later that night that a Finding would be required, not so much from the airlift standpoint, but from our involvement in influencing foreign government officials to assist the mission. A Finding was prepared the next day. The Finding was cleared with the Director who called McFarlane and Don Regan to ascertain that indeed this had Presidential approval and to get assurances that a Finding would be so signed. After repeated calls to NSC personnel on 27 November and during the week of 2 December continuously receiving reassurances of the President's intent to sign the Finding, we were notified on 5 December that indeed the Finding was signed. The President directed us not to inform Congress for the reasons of the safety and secure release of the hostages until he so directed.

3576

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

C11N 1124

UNCLASSIFIED
~~SECRET~~

[illegible] 32,536

CL BY 005?189

~~SECRET~~

UNCLASSIFIED

4. (On 25 November, the Ambassador in [redacted] cabled the Director personally [redacted] noting that Ambassador [redacted] would like to talk to the Director on the telephone. In response, I released a cable to the Ambassador assuring him that the operation that he had been briefed on by the DCM was initiated by the National Security Council but suggesting it would not be wise to attempt to reactivate our request to get [redacted] approval.)

John N. McMahon

CIIN 1124

UNCLASSIFIED

~~SECRET~~

Executive Registry 82 533

# EXHIBIT DRC-13

UNCLASSIFIED
~~SECRET~~

EXHIBIT
DRC-13

C 61[illegible]8

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

22 NOVEMB[illegible]

[redacted] [illegible] and [illegible] summoned to [redacted]

[redacted] [illegible] received instructions

[redacted] [illegible] contacted Copp. "Everything appears under control. Will know bet[illegible] 0945 hours." Gave contact instructions and [illegible] formed [illegible] standing by.

[redacted] [illegible]. Only requirement was to assist in verifying phone num[illegible] of PM and FM. "A very senior official will call them."

[redacted] Copp called. Advised that previous FM had approved an El-Al charter flight before going [redacted] But had not signed paper. Now busy morning of 22 November with [redacted] [redacted] Foreign Ministry was refusing to issue flight clearances until after FM signed paper. Plane"s de[illegible] window 20 minutes away. Copp asked [redacted] pointed outnegotiat[illegible] with Foreign Ministry best handled by Charge. Copp said h[illegible] recommend same to Washington. I noted same in cable t[illegible]dquarters but was advised not to involve Charge. [redacted] Ca[illegible] Copp and updated him on foregoing. He said Was[illegible]on agreed to bringing in Charge. Copp said plane missed [illegible] window but was standing by.

[redacted] Copp called. said plane airborne and reaches go no go point circa 1725. [redacted] MFA after study opposed clearance and would recommend same to FM [redacted] talked yesterday wi[illegible] [redacted] who said Embas did not concur. [redacted] at time was correct but additional information now available. [redacted] Copp called. told him of above. He called White House with request for autho to involve [redacted] Dewey called and said bring in [redacted] as proposed. I did so.

[redacted] [redacted] called [redacted] and validated [illegible] request to get FM out of cabinet meeting.

[redacted] [redacted] called FM several times during [illegible] minutes. standing by waiting for FM to [illegible]pond. Copp: informed. He said plane decided to a[illegible] Asked Copp what next. He is standing by for instructions.

(3577)

[redacted] Foreign Ministry still had made no decision. Copp said NSC is now cons[illegible] the mission. [redacted]

C11N 2373[illegible] UNCLASSIFIED [illegible]ED FOR RELEASE [illegible]6 [illegible] 1987

UNCLASSIFIED

C 6179

[redacted]use has requested the phone numbers of the FM and PM.

[redacted] [redacted]s request has queried headquarters to find out if [redacted]c Stat[redacted]re of mission and if he approves [redacted] involvement. Message comes back saying Sec State and Amb Oakley only two State officials aware of mission, they concur and all traffic should be kept in our channels. Copp states MacFarlane trying to phone FM.

[redacted] [redacted]is Charge. He noted FM meeting just concluded [redacted]sion reached [redacted] says next step is for [redacted]q send formal diplomatic note to FM. Note [redacted] should characteristics of aircraft, routes to and fro[redacted] cargo. Upon receipt FM will consider request. [redacted] promised note by 1100 hours 23 Nov. [redacted] Informed Copp. He said he will allow time for my report to reach Washington then phone to discuss options.

[redacted] Received msg directi[redacted] to contac[redacted] and to note MacFarlane just talked [redacted] FM who agreed to aircraft clearance.

## 23 NOVEMBER 85

[redacted] contacted [redacted] MF[redacted] and conveyed above MacFarlane messa[redacted] only person available that time at MFA. [redacted] not aware of telephone conversation MacFarlane/FM. Opined dip note still needed.

[redacted] Charge went to For Ministry to mee[redacted] presented note. Copp phoned to advise of new plan tentative involving three flights by two planes to [redacted] 23-27 Nov. Copp said he having trouble arranging for planes for [redacted] to Iran link. [redacted] Copp asked if I knew [redacted]was going on--had I been briefed. Said Charge and I in [redacted] but could make some guesses. Arranged for immediate me[redacted] parking lo[redacted] Lasted ten minutes. Copp said [redacted] Hostages deal.

[redacted] Still no response from Foreign Ministry[redacted]

[redacted] [redacted] told Charge decision reached [redacted] conveying same Foreign Ministry would require [redacted] note[redacted] It had to contain two statements: a) operation [redacted] been undertaken for humanitarian reasons, and b) the operation is [redacted] free American hostages. [redacted] said if note delivered forthwith, decision would follow immediately. Obvious Implication is decision would be positive. All found no problem with first point but hung up on second. Copp deferred to Washington. Copp,

REVIEWED RELEASE Date 16 [illegible] 1987 HSC + SSC

C11N2375

UNCLASSIFIED

C 61[illegible]

[illegible]d MacFarlane and been trying for past two hours to [illegible] not successful.

[redacted]

[illegible]opp advi[illegible]e can anticipate negative response to [redacted] [illegible]equest through our channels. Charge sent cable recommending [illegible]lternate part b wording which he believe[redacted] at [illegible]his point would accept. Obviously patience running out [illegible]n Washin[illegible] end at this point for answer received that [illegible]gative [illegible]sion stands and Charge should simply [illegible] [redacted] saying "We regret your Government [illegible] to fulfill the USG request for this humanitarian mis[illegible] Charge delivered same to FM who was greatly troubled. Conversation re self defeating way this entire activity handled.

Message received from headquarters: "It obvious from above we ar[illegible] closing down [redacted] aspect of this operation."

[redacted]

Shut things down [redacted]

UNCLASSIFIED

CIIN 2375

REVIEWED FOR RELEASE
Date 16 April 1987

## EXHIBIT DRC-14

~~TOP SECRET~~/NOFORN/NOCONTRACT/ORCON
EYES ONLY

⑫

UNCLASSIFIED 18 December 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Discussion with Subject Ledeen?

1. Subject requested a meeting with Chief, DO/EUR and NIO for Counterterrorism at 1500 hours on 4 December at Headquarters. He explained that he had just returned from Paris where he had conducted some unspecified business. While there, he acquired certain documents and other information that he believed would be useful in a collection effort that the NIO/CT is conducting on behalf of LTC Oliver North, NSC Staff relating to the US hostages. Subject also proposed a new initiative against President Qadhafi and Libya utilizing certain resources that he claims to have at his disposal. However, conduct of this anti-Libyan effort would require Agency support. Chief, EUR recommended that subject provide details to the NIO/CT so that this could be evaluated upon his return on 13 December from a trip to Europe.

Partially Declassified/Released on 19 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

2. Subject proceeded to inform NIO/CT of private efforts that he had undertaken with White House encouragement to establish contacts within the Iranian government--contacts that were helpful in securing the release of Rev. Benjamin Weir in September. He stated that he had urged National Security Advisor MacFarlane (whom he served as a consultant) over a year ago to undertake an effort to establish links into the Government of Iran and that MacFarlane had agreed that secret, indirect contacts could be established. The objective was to build bridges with more moderate elements of the government in an effort to modify the extremist, anti-Western policies of the Khomeini regime and to determine if these moderate elements were strong enough to seize power. Subject stated that he was able to establish contact with some key Iranians utilizing Israeli contacts, including one Col. Jackob Nimrodi, an Israeli who is involved in the international arms market. Subject would not disclose any details on how he met Nimrodi, although the latter allegedly was at one time a Mossad agent. Nimrodi, who has offices in Tel Aviv, London, and New York, introduced him to a Mr. Ghorbanifar, who also uses the pseudonym Asghari. Ghorbanifar, according to Subject, was once an agent for SAVAK, but saw where the Iranian revolution was headed in 1978 and bolted to Khomeini just before the fall of the Shah. Subject describes Ghorbanifar as "a recruited agent" and "a good fellow who is a lot of fun". Ghorbanifar, who has a family in France, apparently also has a girlfriend in California, who is having some difficulty maintaining her alien resident status.

3578

[redacted] also known as [redacted] Subject described [redacted] as "an action guy" whose responsibilities are to procure arms for Iran on the international market; he also claims that [redacted] runs a terrorist

UNCLASSIFIED

CL BY SIGNER
DECL OADR SISR VOL I

EXHIBIT
DRC-14

~~TOP SECRET~~/NOFORN/NOCONTRACT/ORCON

UNCLASSIFIED

~~TOP SECRET/NOFORN/NOCONTRACT/ORCON~~
EYES ONLY

organization in Western Europe. [redacted] has significant authority in authorizing the procurement of arms [redacted] in the Office of the Prime Minister. Ghorbanifar and [redacted] assert that the activities of Hizballah in Lebanon are managed out of the Prime Minister's office. The line of control goes from that office in Tehran [redacted] also had influence over Hizballah. These Iranian elements know what group holds the American hostages in Lebanon and can secure their release if a decision is made to do so. [redacted] The same holds true for the four remaining hostages held by Hizballah; if it is decided that it is in Iran's interest to secure their release, this can be quickly accomplished.

4. Subject explained that the four hostages were expected to be released just before Thanksgiving because of the Hawk missiles that had been delivered with intermediaries (who include, among others David Kimche of Israel). After delivery of 20 of these missiles, Sutherland, Anderson, Jenco and Jacobsen were to be released in West Beirut; once these four were released, another 100 Hawk missiles would be delivered to Iran. This did not occur because there were disagreements over the particular model of the Hawk missile that was delivered. [redacted] on 28 November was frantically trying to contact Majles Speaker Ransanjani, urging him to reciprocate by freeing the hostages now that the Americans had shown "good faith" by permitting the shipment of Hawks to Tabriz. According to Subject, the disagreement appears to have resulted from a misunderstanding on both sides concerning what specific type of equipment was requested. [redacted] had sent word, again through intermediaries, to MacFarlane that Iran was displeased because it did not get the correct equipment. Subject stated that the Iranians apparently had expected a newer, modified version of the Hawk system. According to Subject, the opportunity to deal with Iran now is "excellent" because Tehran is "desperate" for specific types of equipment such as the TOW anti-tank missiles. He also noted that neither Iran nor its surrogate has attacked or kidnapped any Americans in some months. The crew, for example, that had flown in the Hawk missiles had not only been permitted to return unimpeded but were given "caviar" to eat on their flight out of Iran. These developments auger well for the United States and every effort should be made to exploit Tehran's need for arms in order to build bridges with more moderate elements of the Iranian government and to preclude additional attacks against American interests. This was a long term strategy that the United States--with caution and discretion--needs to pursue.

5. Subject again turned to Ghorbanifar. The latter, at great personal risk, travels to Iran about once a month to discuss weapons procurement. Ghorbanifar has even traveled to Israel--without Tehran's knowledge--to meet with Israeli officials. All told, Subject has had about a dozen meetings with Ghorbanifar in France, Switzerland, Israel, and the United States. In fact, Subject arranged for Ghorbanifar to come to the US in October and actually brought Ghorbanifar into the White House. As a result, Ghorbanifar enhanced his credibility with senior Iranian officials, including Rafsanjani, who believes that Vice President Bush is orchestrating the US initiative with Iran. In fact, according to Subject, Rafsanjani believes that Bush is the most powerful man in the US because in addition to being Vice President, he was once Director of CIA.

UNCLASSIFIED

UNCLASSIFIED

EYES ONLY

6. Subject stated that Ghorbanifar had met with Agency officials in the past but that he found that CIA officers did not trust him. Ghorbanifar was extremely reluctant to have further contact with CIA and stated that his experiences with CIA "had been bad".

7. Subject stated that Ghorbanifar had proposed to him a "scam" that would discredit Libyan leader Qadhafi. [redacted] the murder of Libyan dissident leader Murgiyah. Ghorbanifar claims that this is an excellent opportunity to plan a "sting operation" against Qadhafi by staging the murder of Murgiyah. [redacted] According to Ghorbanifar's plan, arrangements would be made for Murgiyah to reappear after about three months to expose Qadhafi's intent to murder him. [redacted] Subject urged that the Agency seriously consider exploring the possibility of supporting such an operation.

8. Subject stated that Ghorbanifar probably has a "limited life span" and speculated that the Iranians may eventually take action against him. Nonetheless, it was important to use fully Ghorbanifar's knowledge and contacts at this stage. Subject noted that he would be traveling again shortly to Europe and would be discussing the proposed Libyan operation further with Ghorbanifar. He was hopeful that, in the meantime, some reaction could be obtained from CIA. Subject noted that he had discussed this issue with Oliver North of the NSC who favors the undertaking of this operation.

9. Subject claims that Ghorbanifar has good bona fides with [redacted] and that the risk of running the sting operation is "relatively low". Moreover, in his view, the risk of exposing the US hand was equally small. [redacted]

10. Subject also claimed, without further explanation, that [redacted] "has been recruited" and would do the bidding of those working on freeing the American hostages.

Charles E. Allen

Charles E. Allen

UNCLASSIFIED

# EXHIBIT DRC-15

UNCLASSIFIED
~~TOP SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

Non-Log

N 9683

January 24, 1986

~~TOP SECRET~~

SENSITIVE

**PLEASE DESTROY AFTER READING**

**ACTION**

EXHIBIT
DRC-15

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Operation Recovery

Please find attached at Tab A a notional timeline for major events in Operation Recovery. To my knowledge the only persons completely cognizant of this schedule are:

John Poindexter
Don Fortier
Oliver North

John McMahon
Clair George
[redacted]
Dewey Clarridge

Richard Secord
Amiram Nir
Prime Minister Shimon Peres

RECEIVED
FBI
NOV 29 1986
Copy is Receipt

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

**RECOMMENDATION**

That you privately discuss the attachment with the President.

Approve _____ Disapprove _____

T8 @ 7

Attachment
Tab A - Notional Timeline for Operation Recovery

RECEIVED
NO.
Copy is Receipt

3579

**PLEASE DESTROY AFTER READING**

~~TOP SECRET~~
Declassify: OADR

~~TOP SECRET~~
UNCLASSIFIED

SENSITIVE

UNCLASSIFIED

N 9689

UNCLASSIFIED

~~TOP SECRET~~ UNCLASSIFIED

~~TOP SECRET~~ SENSITIVE

PLEASE DESTROY AFTER READING

N 9690

## Notional Timeline for Operation Recovery

Friday, January 24

-- CIA provide cube and weight data to Copp for a/c loading.

-- CIA prepare intel sample for pass to Gorba.

-- Copp provide a/c tail # to CIA for pickup at [redacted]

CEIVED
FBI
NOV 29 1986
Copy s Re[illegible]

Saturday, January 25

-- Dispatch intel sample to Gorba via Charlie Allen.

Sunday, January 26

-- C. Allen deliver intel sample to Gorba at Churchill Hotel, London.

-- Copp finalize a/c requirements w/air carrier in Oklahoma.

[redacted]

Monday, January 27

-- Gorba place intel sample on 1300 GMT flight to Tehran fm Frankfurt, Germany.

Wednesday, January 29

-- Gorba transfer funds for purchase/transport of 1000 basic TOWs to Israeli account at Credit Suisse Bank, Geneva.

-- Israeli account manager automatically transfers deposit fm Israeli account to Copp account in same bank (bank record keeping transaction).

-- Copp's account manager automatically transfers $6M to CIA account in same bank (bank record keeping transaction).

PLEASE DESTROY AFTER READING

~~TOP SECRET~~ UNCLASSIFIED SENSITIVE
Declassify: OADR

UNCLASSIFIED
~~TOP SECRET~~

N 5C9.

RECEIVED
FBI
NOV 29 1986
Copy is [illegible]

PLEASE DESTROY AFTER READING

Thursday, January 30

-- CIA transfers $6M to DOD account by wire service transaction.

-- CIA orders movement of 1000 TOW missiles fm DOD storage facility Anniston, Alabama, to [redacted]

-- CIA bills Copp account $26K for cost of moving 1000 TOW missiles fm Anniston, Alabama, to [redacted]

Friday, January 31

-- [redacted]

--

Sunday, February 2

-- [redacted]

-- Copp travels to Israel for site survey of transfer point (Eliat, Israel).

-- Copp proceeds to rendezvous in Rome w/Clarridge to establish command post.

Monday, February 3

-- [redacted]

--

--

PLEASE DESTROY AFTER READING

UNCLASSIFIED

UNCLASSIFIED

~~TOP SECRET~~ N 9692

RECEIVED
S/SI
NOV 29 1988
Copy

PLEASE DESTROY AFTER READING

Tuesday, February 4

-- 1000 TOWs sanitized and prepared for shipping [redacted]

-- Copp a/c packers arrive [redacted] and arrange for Copp a/c to lift TOWs fm Kelly AF Base, San Antonio, TX, on CIA contract.

Wednesday, February 5

-- Copp a/c arrives Kelly AF Base for loading.

-- CIA provides remainder of first intel sample to Gorba at Iranian Embassy in Bonn, Germany.

Thursday, February 6

-- Copp a/c commence lifting TOWs fm Kelly AF Base to transfer point at Eliat, Israel.

-- Israeli AF "sterilized" 707 a/c arrives at transfer point for loading.

-- Copp aircrew arrives Eliat, Israel, to pilot Israeli a/c.

-- [redacted]

-- Remainder of first intel sample flown fm Germany to Tehran in diplomatic pouch on scheduled Iran Airways flight.

Friday, February 7

-- Israeli "sterile" a/c piloted by Copp crew commences movement of TOWs fm Eliat to Bandar Abbas, Iran, via Red Sea route.

-- [redacted]

PLEASE DESTROY AFTER READING

UNCLASSIFIED

~~TOP SECRET~~ N 9693

RECEIVED
FBI
NOV 29 1988

PLEASE DESTROY AFTER READING

Saturday, February 8

-- Delivery of 1000 TOWs completed.

-- 25 Hizballah released by Lahad.

-- Returning Israeli a/c pickup 18 HAWKs at Tehran airport for return to Israel.

Sunday, February 9

-- All U.S. hostages released to U.S./British or Swiss Embassy.

-- Second group of 25 Hizballah released by Lahad.

-- Israelis return $5.4M to Gorba when HAWKs land in Israel.

Monday, February 10

-- Gorba transfers funds to Israel account for purchase/transportation of 3000 TOWs (amount transferred is sufficient to cover purchase of 508 additional TOWs owed to Israel for Weir release and all transportation costs).

-- Israelis transfer funds to Copp account at Credit Suisse Bank, Geneva.

-- Copp transfers funds to CIA account for purchase/transportation of 3508 TOWs ($21.048M).

-- Four (4) remaining Lebanese-Jews released by Hizballah.

Tuesday, February 11 (Anniversary of Iranian-Islamic Revolution)

-- Khomheini steps down.

-- CIA transfers $21.048M to DOD account for purchase of 3508 TOWs at $6K each.

-- CIA starts moving TOWs to [redacted] fm Anniston, Alabama, in lots of 1000.

PLEASE DESTROY AFTER READING UNCLASSIFIED

UNCLASSIFIED

~~TOP SECRET~~ N 9694

PLEASE DESTROY AFTER READING

RECEIVED
FBI
NOV 29 1986
Copy is Rec...

Thursday, February 13

-- Copp packers return to [redacted]

Tuesday, February 18

-- Copp a/c pickup 1000 TOWs at Kelly AF Base, Texas; deliver to transfer point (Eliat).

-- Israeli "sterilized" 707 a/c w/Copp crew commences delivery of 1000 TOWs to Iran.

Thursday, February 20

-- Copp a/c pickup 1000 TOWs at Kelly AF Base, Texas; deliver to transfer point (Eliat).

-- Israeli "sterilized" 707 a/c w/Copp crew commences delivery of 1000 TOWs to Iran.

Saturday, February 22

-- Copp a/c pickup 1000 TOWs at Kelly AF Base, Texas; deliver to transfer point (Eliat).

-- Israeli "sterilized" 707 a/c w/Copp crew commences delivery of 1000 TOWs to Iran.

Monday, February 24

-- Copp a/c returns to [redacted] pickup 508 TOWs for delivery to Israel.

-- Collett (British hostage) and Italian hostages released and Buckley remains returned.

Tuesday, February 25

-- Second sample of intel provided to Gorba at Iranian Embassy in Bonn, Germany.

-- [redacted]

UNCLASSIFIED

## EXHIBIT DRC-16

UNCLASSIFIED

~~TOP SECRET~~

N 9930

May 22, 1986

~~TOP SECRET~~

RECEIVED
FBI
NOV 29 1986
Copy is Receipt

ACTION

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH N

SUBJECT: Hostage Recovery Plan

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

Attached for your information are papers which contain essential information and action requirements for the execution of the hostage recovery plan.

Tab I is the operation order and time table for the critical events of the plan. The following people will have copies of this timetable: Clair George, Dewey Clarridge, and Bob Earl. We have established a communications plan in which the travelling party will make routine contact in order to apprise the appropriate people of progress along the timetable.

Tab II is the U.S.-Iran Terms of Reference (TOR) that will be used by Bud during our discussions with the Iranians.

Tab III contains three different sets of press guidance for use:

- -- upon release of the hostages in Beirut;
- -- upon the non-hostile disclosure of the party's visit to Iran; and
- -- the hostile discovery and abduction of the party while in Iran.

[redacted]

Tab VI is a memo from you to the Secretaries of State and Defense, the CJCS, and the Director, FBI to execute the established interagency plan (Tab A) to receive, debrief, and reunite our citizens. This memo will follow-up a secure conference call upon notification of the hostages release.

3580

UNCLASSIFIED

~~TOP SECRET~~

EXHIBIT
DRC-16

T125

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED
~~TOP SECRET~~

N 9931

**RECOMMENDATION**

That you retain this package for your reference.

Approve _____ Disapprove _____

Attachments
    Tab I - Operations Plan and Timetable
    Tab II - U.S.-Iran Terms of Reference (TOR)
    Tab III - Press Guidance (3 sets)
    [redacted]
    Tab VI - Poindexter Memo to Departments/Agencies
        Tab A - Interagency Plan

~~TOP SECRET~~

UNCLASSIFIED

UNCLASSIFIED
~~TOP SECRET~~

~~TOP SECRET~~ N 9932

OPERATIONS PLAN

**Objective**: To secure the return of four American hostages who continue to be held by Hizballah elements in Lebanon.

**Concept**: Provide incentives for the Government of Iran to intervene with those who hold the American hostages and secure their safe release.

**Tasking**: CIA

1. Arrange for delivery of supplies from [redacted] to Kelley AFB NLT 1100 CDT Thursday, May 22.

2. Provide interpreter, two communicators, four PRT-250 SATCOM secure voice terminals, transponder beacon(s), and travel documentation at Dulles Airport, Washington, D.C. for departure NLT 0100 EDT, Friday, May 23, for Tel Aviv.

3. Provide intelligence briefing package with photos.

4. Fund maintenance and test/calibration of two Phase I radars at Letterkenney, PA. Investigate availability of two Phase II radars from DOD/FMS channels.

5. Provides communication plan (schedule, frequencies, etc.) and SOP (distress codes, etc.).

6. Recommends site and conditions for hostage release in Beirut.

7. [redacted]

~~TOP SECRET~~
UNCLASSIFIED

~~TOP SECRET~~

UNCLASSIFIED

~~TOP SECRET~~ N 9933

Commercial Aviation Services (Democracy Inc. Charter)

1. 707 #1 arrive Kelley AFB by 1100 CDT, Thursday, May 22.

2. Load supplies and depart by 1700 CDT, Thursday, May 22 for LOD.

3. 707 #2 arrive Kelley AFB by 1100 CDT, Friday, May 23.

4. Load TOWs and depart by 2000 CDT, Friday, May 23.

Democracy, Inc.

1. Provide two vetted 707 crews for Israeli aircraft.

2. Provide Swiss Air Learjet for Copp from Geneva on Thursday, May 22, to Tel Aviv.

3. Provide CANAIR Challenger for delegation airlift from Dulles to Ramstein AFB on Friday, May 23.

4. Provide six BLACKHAWK .357 magnums in presentation boxes.

5. Copp provides liaison on SATCOM or telephone/encryption device from Tel Aviv, connecting the party in T. with CIA/NSC.

Israelis

1. Provide funding for TOWs.

2. Provide two black 707 aircraft for flight from Tel Aviv to T. on Saturday, May 24, and on order respectively (second aircraft probably on May 26 or 27).

3. Provide liaison officer to the RCM delegation to T.

~~TOP SECRET~~

UNCLASSIFIED

UNCLASSIFIED

N 9934

~~TOP SECRET~~ 3

NSC

1. Provides senior emissary and two staff members for delegation to T.

2. Provides staff officer for interface/liaison from White House with Copp in Tel Aviv.

3. Provides contingency press guidance for hostage release, non-hostile discovery of the T. delegation, and hostile discovery of the delegation.

4. [redacted]

5. Provides TRW encryption device for tertiary secure communications capability in T., Tel Aviv, and Wash, DC.

6. [redacted]

7. Arranges for alerting and dispatch of hostage reception team to Frankfurt on order.

8. Arranges for notification of families after release of hostages and travel to Frankfurt 24 to 36 hours after release of hostages.

9. Arranges for special aircraft to pickup RCM delegation in Tel Aviv and return to U.S. (NLT Thursday, May 29).

~~TOP SECRET~~ UNCLASSIFIED

UNCLASSIFIED

N 9935

~~TOP SECRET~~

DOD

1. Provides supplies/equipment as required through intermediaries.

2. Provides transportation for hostage reception team from Washington, DC, to Frankfurt on order.

3. Provides transportation and/or [redacted] support for recovery of the hostages from the release point in Beirut and further transfer to Frankfurt as required.

Administrative and Logistics

1. All personnel to T. to carry [redacted] passports

2. [redacted]

3. Sequence of events calendar attached at Tab A.

4. Summary of supporting activies is at Tab B.

Communications

1. RCM is in charge of delegation to T. JMP to represent the President in Washington discussions. Second in command of delegation = North. Third in command = Cave.

2. Comm plan to be promulgated separately (Thurseday, May 22) by CIA.

Primary means = SATCOM Tel Aviv to T. and to Wash, DC
Secondary means = CIA encryption device on telephone from T.
to Tel Aviv (Copp), hence to Wash, DC
Tertiary means = NSC encryption device on telephone from T.
to Tel Aviv [illegible] hence to Wash, DC

~~TOP SECRET~~

UNCLASSIFIED

N 9936

3. Cancellation. Delegation to confirm operation prior to departure from Tel Aviv.

4. Rehearsal. None, except limited comm check, Tuesday, May 20.

TAB C

UNCLASSIFIED

~~TOP SECRET~~

~~TOP SECRET~~

May 22/1400

N 9937

## SEQUENCE OF EVENTS CALENDAR

| DC(EDT) | Local | |
|---|---|---|
| Thursday, May 22 | | |
| 0800 | 0800 | [redacted] |
| 1200 | 1100 | 707 charter #1 [redacted] arr Kelly AFB (SKF) |
| 1500 | 2000 | Copp dep Geneva via Lear 35 enroute TLV |
| 1800 | 1700 | 707 charter #1 dep Kelly AFB |
| 1845 | 1845 | North dep Dulles (PA #106) enroute London |
| 2000 | 0200(Fri) | Copp arr TLV, establishes secure phone comms |
| Friday, May 23 | | |
| 0300 | 0800 | [redacted] |
| 0700 | 1400 | 707 charter #1 arr TLV; commence transload to IAF 707 #A |
| 0800 | 0800 | CANAIR Challenger (a/c # 600-MK) [redacted] [redacted] w/RCM party dep Dulles for |
| 0830 | 1330 | North [redacted] dep London via Lear 35 [redacted] (flt [redacted] CAPT ...) for |
| 1200 | 1100 | 707 charter #2 [redacted] arr Kelly AFB; loads |
| 1300 | 2000 | North [redacted] arr [redacted] |
| 1400 | 2100 | North dep [redacted] for TLV via Lear 35 |
| 1430 | 2130 | North arr TLV met by Nir |
| 1630 | 2230 | RCM Challenger arr [redacted] arrange clearance/transfer to 707 [redacted] [redacted] |
| 1830 | 0030(Sat) | RCM Party dep [redacted] via [redacted] [redacted] |
| 2100 | 2000 | 707 charter #2 dep Kelly AFB |
| 2230 | 0530(Sat) | RCM Party arr TLV (707) |

~~TOP SECRET~~

UNCLASSIFIED

UNCLASSIFIED
~~TOP SECRET~~

~~TOP SECRET~~ 2 May 22/1400

N 9938

| DC(EDT) | Local | |
|---|---|---|
| Saturday, May 24 | | |
| 0000 | 0700 | [redacted] |
| 1000 | 1700 | 707 charter #2 arr TLV |
| 1500 | 2200 | RCM party dep TLV via IAF 707 (A) enroute T. |
| Sunday, May 25 | | |
| 0100 | 0830 | Party arr T. |
| Monday, May 26 (but NLT Wed, May 28) | | |
| H-hr | | Hostages released in Beirut. |
| H-hr | | AmEmb Beirut notifies State Department and White House. NSC notifies RCM delegation. |
| H+1 | | NSC action: |
| | | - order hostage reception team to Wiesbaden; |
| | | - arrange [redacted] pickup of hostages fm Beirut; via UH-60 |
| | | - [redacted] |
| | | - IAF 707 #2 dep TLV for T.; |
| | | - [redacted] |
| H+1 hr | | State Department notifies families. |
| H+2 hrs | | [redacted] |
| H+3 hrs (or ASAP) | | White House press statement. |
| H+X hrs | | Hostages evacuated from Lebanon via UH-60 to [redacted] met by [redacted] for flt to Wiesbaden. |
| H+36 hrs | | Hostage families flown to Wiesbaden. |
| NLT Thursday, May 29 | | |
| 0100 | 0800 | Party dep T. for TLV (both 707s). |

TIME ZONE LEGEND

| CDT (Kelly) | EDT | London | Frankfurt | Tel Aviv | T. |
|---|---|---|---|---|---|
| 0900 | 1000 | 1500 | 1600 | 1700 | 1730 |

UNCLASSIFIED
~~TOP SECRET~~

~~TOP SECRET~~

TAB B

UNCLASSIFIED

~~TOP SECRET~~

~~TOP SECRET~~

N 9939

SUPPORTING ACTIVITIES

CIA provides handling for funds, logistics interface for pick-up of supplies/equipment, interpreter, communications personnel and equipment,[redacted] support i[redacted] an[redacted] intelligence materials.

Commercial Aviation Services provides two 707s for pick-up of DOD supplies/equipment.

DOD provides supplies/equipment, transportation for hostage reception team, and [redacted]or other support for return of the hostages from Beirut to Frankfurt.

Israel provides two 707 aircraft for separate trips from LOD to T.

Democracy, Inc., provides transportation support as required, technical advice, handling of funds, and gifts for Iranian negotiating team.

UNCLASSIFIED

~~TOP SECRET~~

~~TOP SECRET~~

UNCLASSIFIED

~~SECRET~~ ~~SECRET~~

**SENSITIVE**

May [illegible], 19[illegible]

## TERMS OF REFERENCE
## U.S.-Iran Dialogue

### I. BASIC PILLARS OF U.S. FOREIGN POLICY (Optional)

-- President Reagan came into office at a time when Iran had had a certain impact on the American political process -- perhaps not what you intended.

-- The President represents and embodies America's recovery from a period of weakness. He has rebuilt American military and economic strength.

-- Most important, he has restored American will and self-confidence. The U.S. is not afraid to use its power in defense of its interests. We are not intimidated by Soviet pressures, whether on arms control or Angola or Central America or Afghanistan.

-- At the same time, we are prepared to resolve political problems on the basis of reciprocity.

-- We see many international trends -- economic, technological, and political -- working in our favor.

### II. U.S. POLICY TOWARD IRAN: BASIC PRINCIPLES

#### A. U.S. Assessment of Iranian Policy.

- We view the Iranian revolution as a fact. The U.S. is not trying to turn the clock back.

- Our present attitude to Iran is not a product of prejudice or emotion, but a clear-eyed assessment of Iran's present policies.

- Iran has used "revolutionary Islam" as a weapon to undermine pro-Western governments and American interests throughout the Middle East. As long as this is Iran's policy, we are bound to be strategic adversaries.

- Support of terrorism and hostage-taking is part of this strategic pattern. We see it used not only against us, but against our friends. We cannot accept either. Your influence in achieving the release of all hostages/return of those killed (over time) is essential.

- We see your activity in many parts of the world, N 9941
including even Central America.

- The U.S. knows how Iran views the Soviet Union. But subversion of Western interests and friends objectively serves Soviet interests on a global scale.

- Thus, our assessment is that a decisive Iranian victory in the war with Iraq would only unleash greater regional instability, a further erosion of the Western position, and enhanced opportunities for Soviet trouble-making.

- The U.S. will therefore do what it can to prevent such a development. We regard the war as dangerous in many respects and would like to see an end to it.

B. Possible Intersections of U.S.-Iranian Interests.

- Despite fundamental conflicts, we perceive several possible intersections of U.S. and Iranian interests. I propose we explore these areas.

- First, the U.S. has had a traditional interest in seeing Iran preserve its territorial integrity and independence. This has not changed. The U.S. opposes Soviet designs on Iran.

- Second, [redacted] We are seeking an end to this conflict and want to use an improved relationship with Iran to further that end.

- Third, we have parallel views on Afghanistan. Soviet policy there is naked aggression, a threat to all in the region. [redacted] But our objective is the same: the Soviets must get out and let the Afghan people choose their own course.

C. U.S. Objective Today.

- We have no illusions about what is possible in our bilateral relations. Perhaps this meeting will reveal only a limited, momentary, tactical coincidence of interests. Perhaps more. We are prepared either way.

- In essence, we are prepared to have whatever kind of relationship with Iran that Iran is prepared to have with us.

III. SOVIET MILITARY POSTURE

-- Moscow has designs on parts of Iran. [redacted]

-- Afghanistan illustrates the price the Soviets are ready to pay to expand areas under their direct control.

-- Summarize Soviet capabilities along border and inside Afghanistan which could threaten Tehran.

-- U.S. is aware of Soviet activity in [redacted]

-- Soviet plans [redacted] How they would do it.

-- Iranian support to Sandinista regime in Nicaragua aids and abets Soviet designs -- makes U.S.-Iranian relationship more difficult ($100 million in oil, plus arms).

-- U.S. can help Iran cope with Soviet threat.

IV. AFGHANISTAN

-- May be real value for Iran and U.S. to find ways to cooperate against Moscow in Afghanistan.

-- U.S. can provide humanitarian assistance for refugees [redacted]

-- We need to know who you work with, what you already provide, and devise strategy to exploit Iranian comparative advantage.

V. HARDWARE

-- We may be prepared to resume a limited military supply relationship.

-- However, its evolution and ultimate scope will depend on whether our convergent or our divergent interests come to loom larger in the overall picture.

-- What does Iran want?

UNCLASSIFIED

N 7943

~~SECRET~~ (Until released by NSC) ~~SECRET~~

## DRAFT PRESS GUIDANCE
## RELEASE OF U.S. HOSTAGES IN BEIRUT

-- We are extremely pleased that the hostages have finally been released.

-- We do not yet know the precise circumstances and details leading to their release.

-- We note, however, that there have been a number of overtures over the past year, seeking to obtain release of the U.S. and other foreign hostages in Beirut.

-- [redacted]

-- In addition, there have been recent efforts by various humanitarian and other organizations to facilitate the release of the hostages.

-- We can only assume that the cumulative effect of all of these efforts over the past year have finally produced results.

-- I recommend you refer your questions to Mr. Waite and to the various organizations that have been making these overtures for release of the hostages.

-- They will be taken to a U.S. military hospital for a medical examination. Arrangements are being made to reunite them with their families as soon as possible.

UNCLASSIFIED

~~SECRET~~ (Until released by NSC) ~~SECRET~~

UNCLASSIFIED
~~SECRET~~

N [illegible]

Q: WHAT HAS BEEN THE U.S. GOVERNMENT ROLE IN THE RELEASE OF THE HOSTAGES?

A: The USG has been aware of and has supported or facilitated some, although not all, of these overtures by individuals and organizations. Again, I would refer your specific questions to the individuals or organizations involved.

Q: WHAT ARE SOME OF THE ORGANIZATIONS WHO HAVE MADE OVERTURES FOR RELEASE OF THE HOSTAGES?

A: I have already mentioned Mr. Terry Waite, who is a representative of the Archbishop of Canterbury. Other religious groups, such as the Catholic Relief Services, have been actively attempting to resolve this longstanding problem.

Q: WHAT WERE THE TERMS OF THEIR RELEASE? WERE THERE ANY CONCESSIONS OR RANSOM?

A: As a matter of longstanding U.S. policy regarding terrorism, the USG does not make concessions nor pay ransom. We are not yet aware of the circumstances and details of their release.

| Hostage | Kidnapped |
|---|---|
| Father Lawrence Jenco | 08 Jan 1985 |
| Mr. Terry Anderson, Journalist | 16 Mar 1985 |
| Mr. David Jacobsen, Dir, Am Univ Hospital | 28 May 1985 |
| Mr. Thomas Sutherland, Dean Am Univ, Beirut | 10 Jun 1985 |
| Mr. William Buckley, U.S. political officer | 16 Mar 1984 (deceased) |

UNCLASSIFIED
~~SECRET~~

UNCLASSIFIED
~~SECRET~~

~~SECRET~~ (Until released by NSC)

N 9945

DRAFT PRESS GUIDANCE
BEIRUT HOSTAGES

Assumption: Non-hostile discovery of U.S. party being in Iran

-- The U.S. has many strategic interests in the Middle East region.

-- One of these strategic concerns is to bring an end to the Iran-Iraq war, which has been raging for six years with a variety of political and economic consequences:

  - Massive loss of life and destruction on both sides.

  - Bifurcation of the Arab world, with some Arab states supporting one belligerent and others supporting the other belligerent.

  - Spill-over attacks on commercial shipping in the Gulf -- impact on oil market, shipping industry, maritime insurance, etc.

  - Regional disruption suitable for Soviet exploitation.

-- The U.S. recently reestablished diplomatic relations with Iraq and has established a political dialogue.

-- The U.S. seeks also to establish a dialogue with the other belligerent in that terrible war, Iran. There are a variety of issues of mutual concern. Among these are:

UNCLASSIFIED
~~SECRET~~ (Until released by NSC) ~~SECRET~~

UNCLASSIFIED
~~SECRET~~

N [illegible]

Q: WHAT HAS BEEN THE U.S. GOVERNMENT ROLE IN THE RELEASE OF THE HOSTAGES?

A: The USG has been aware of and has supported or facilitated some, although not all, of these overtures by individuals and organizations. Again, I would refer your specific questions to the individuals or organizations involved.

Q: WHAT ARE SOME OF THE ORGANIZATIONS WHO HAVE MADE OVERTURES FOR RELEASE OF THE HOSTAGES?

A: I have already mentioned Mr. Terry Waite, who is a representative of the Archbishop of Canterbury. Other religious groups, such as the Catholic Relief Services, have been actively attempting to resolve this longstanding problem.

Q: WHAT WERE THE TERMS OF THEIR RELEASE? WERE THERE ANY CONCESSIONS OR RANSOM?

A: As a matter of longstanding U.S. policy regarding terrorism, the USG does not make concessions nor pay ransom. We are not yet aware of the circumstances and details of their release.

| Hostage | Kidnapped |
|---|---|
| Father Lawrence Jenco | 08 Jan 1985 |
| Mr. Terry Anderson, Journalist | 16 Mar 1985 |
| Mr. David Jacobsen, Dir, Am Univ Hospital | 28 May 1985 |
| Mr. Thomas Sutherland, Dean Am Univ, Beirut | 10 Jun 1985 |
| Mr. William Buckley, U.S. political officer | 16 Mar 1984<br>(deceased) |

UNCLASSIFIED
~~SECRET~~

- Satisfactory ending of the Iran-Iraq war.

- Concern over Soviet military build-up and activities in the region, particularly in Afghanistan.

- The recent upsurge in international terrorism. Our objective to seek the return of our citizens held hostage in Beirut, Lebanon, is obviously a part of that strategic concern.

-- The U.S. is accordingly engaged in talks as an effort to save lives by seeking a return of peace to the region and a lessening of tensions on a variety of issues.

-- Because these are sensitive, diplomatic discussions, no further details of the discussions will be released.

Q: WHO IS REPRESENTING THE U.S. IN THESE DISCUSSIONS?

A: Former National Security Advisor, Mr. Robert McFarlane, is engaged in this strategic dialogue with the Iranian Government.

UNCLASSIFIED

UNCLASSIFIED ~~SECRET~~

~~SECRET~~ (Until released by NSC)

N 9947

## DRAFT PRESS GUIDANCE
## BEIRUT HOSTAGES

Assumption: Hostile discovery of U.S. party in Iran.

-- The U.S. undertook in good faith a high-level, diplomatic contact with the Iranian Government. The purpose of this diplomatic contact was to engage in a strategic dialogue (see separate talking points) to help bring about a satisfactory end of the Iran-Iraq war, among other things.

-- The bad faith shown by the Iranians in their actions is astonishing and reprehensible.

-- After the passage of more than five years since the 1979-80 hostage crisis with Iran had been resolved, we believed that the Iranian government was again prepared to join the ranks of civilized nations and engage in good faith diplomatic discussions on a variety of issues of mutual concern.

-- Apparently, we were wrong in that assessment.

-- We call on Iran to release our special diplomatic envoy and his party immediately and unconditionally.

-- We hold the government of Iran responsible for their safety as well as for their immediate release.

~~SECRET~~ (Until released by NSC) UNCLASSIFIED ~~SECRET~~

Pages N9948-49 denied in their entirety.

UNCLASSIFIED

~~TOP SECRET~~

N 9950

~~TOP SECRET~~

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

ADMIRAL WILLIAM J. CROWE, JR.
The Chairman, Joint Chiefs of Staff

THE HONORABLE WILLIAM H. WEBSTER
The Director, Federal Bureau of Investigation

SUBJECT: Interagency Plan for Hostage Release (TS)

Four American hostages were released in Beirut today. It is important that we move quickly to implement the established interagency plan (Tab A) to receive, [redacted] reunite our citizens. (TS)

-- The Department of State is designated as lead agency for coordinating the USG effort to receive and reunite those released in accord with the approved plan. (C)

-- [redacted]

--

-- As lead agency, the Department of State will prepare and coordinate appropriate press and Congressional notification briefings, as required. (C)

cc: Donald Regan
Richard Riley

Attachment
Tab A - Interagency Plan

UNCLASSIFIED

~~TOP SECRET~~

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

N 9951

UNCLASSIFIED

UNCLASSIFIED

Pages N9952–55 denied in their entirety.

UNCLASSIFIED

# EXHIBIT DRC-17

N 12150

UNCLASSIFIED

EXHIBIT
DRC-17

```
WILL DISCUSS AT LUNCH.
   } CONTRA PROJECT
MSG FROM: NSJMP   --CPUA      TO: NSOLN   --CPUA              05/08/86 10:50:36
To: NSOLN   --CPUA

*** Reply to note of 05/08/86 08:07
                                          -- ~~SECRET~~ --
NOTE FROM: JOHN POINDEXTER
Subject: Iran
GOOD WORK.  LET'S DISCUSS AT LUNCH.
     Iran
MSG FROM: NSJMP   --CPUA      TO: NSOLN   --CPUA              07/11/86 19:20:33
To: NSOLN   --CPUA

*** Reply to note of 07/11/86 07:27
                                          -- ~~SECRET~~ --
NOTE FROM: JOHN POINDEXTER
Subject: PRIVATE BLANK CHECK
GOOD WORK.  LET'S GET TOGETHER SOON TO TALK ABOUT THIS.
   \ PRIVATE BLANK CHECK
[redacted]
                                          -- ~~SECRET~~ --
[redacted]
MSG FROM: NSOLN   --CPUA   - TO: NSJMP   --CPUA              08/23/86 15:52:52
To: NSJMP   --CPUP

*** Reply to note of 05/08/86 10:50
NOTE FROM: OLIVER NORTH
Subject: Iran
We have had an intensive series of discussions w/ Nir, Gorba and [redacted] over
the past 48 hrs. It is not clear whether Nir/Gorba are aware that we are
talking directly to [redacted] Basic proposal as outlined to you over phone
remains unchanged; i.e., sequential release for sequential deliveries. We must,

however resolve the problem of how to provide the parts which we promised but
```

NP

Partially Declassified/Released on 17 AUG 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

do not have in stock. [redacted] has assigned an officer to work w/ Army logistics in an effort to find (or manufacture, if necessary) the missing/wrong items. Both Gorba and [redacted] have been told not to ship the 63 defective/wrong parts back and that we will backhaul them on the next delivery. Copp has been told to keep a crew in readiness for a further mission and has been apprised of the general parameters of the arrangement. He notes that from a logistics perspective, the sequential arrangement is preferable in that it requires only one crew and one A/C throughout thus reducing visibility and enhancing OPSEC. We should have a better fix on availability of parts early in the week and meanwhile have told Gorba and [redacted] that both sides should bring a technical expert familiar w/ the appropriate system to the meeting. [redacted] told Gen. this morning that it wd be best to bring an expert w/ us to Tehran for the meeting and he could see for himself what the problems are. Having discussed this proposal this a.m. w/ both Clarridge and Cave we all believe this to be the best course of action, especially if we can leave our "technical expert" and a communicator behind in Tehran. CIA is now looking for a good Ops officer who is familiar w/ the system. Dick already has one identified, but CIA wd prefer to use its own officer if they can find one. We should get back to [redacted] w/ an answer by Monday. All of us rate the risk to be relatively low, particularly given the experience we had in May. If you approve, we wd use [redacted] documents (as we did in May) and go in via the Iran Air flight to/from Frankfurt. Estimated time on mission wd be two days. We wd plan to go over a weekend to reduce visible absence in D.C. RECOMMENDATIONS:

[redacted]

UNCLASSIFIED

UNCLASSIFIED

N 12152

UNCLASSIFIED

[redacted]

[redacted]

NP

UNCLASSIFIED

## EXHIBIT DRC-18

7

UNCLASSIFIED

[illegible]
4/27/87 122

[redacted]

UNCLASSIFIED

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBI
DRC-1

8

[redacted]

Q [redacted] parenthetically, when in 1984 did this take place?

A It was -- the best of my recollection, it might have been late March or April.

Q Do you recall any discussion with officials of [redacted] Government about the [redacted] providing assistance to the contras?

A No.

Q Did you ask any official in the [redacted] Government to provide assistance to the contras?

A No, I didn't.

Q Any request to provide monetary assistance?

A No.

Q Any request to provide munitions, materiel?

A No.

Q Training-type assistance?

A No.

Q So you did not ask that the [redacted] U' provide any type of assistance whatsoever to the contras?

A That's correct.

Q Did they inform you or tell you at any time that they were already providing assistance to the contras?

A No, they didn't.

Q Did they tell you they were willing to provide assistance to the contras?

A No.

Q Have you discussed with any -- with officials of any other country the providing of assistance to the contras?

A No.

Q Have you ever solicited funds from officials of any other country?

A No.

MS. McGINN: Can we get a date on these? You are asking him questions about what time frame?

MR. EGGLESTON: I am willing to say from 1980 to the present.

THE WITNESS: Have I --

MR. RIZZO: That certainly narrows it down.

MR. EGGLESTON: It is ever. I am taking it he's answering these questions no. If he were to answer yes, there's so many occasions I can't delineate them, I would probably do it in a slower one-at-a-time fashion.

I am anticipating his answer to the question. Ever is going to be it.

MS. McGINN: I want to make sure he understands the time frame you are talking about.

THE WITNESS: Solicit -- go back to that question again. After we have left [redacted]

BY MR. EGGLESTON:

[redacted]

Q After January 1 of 1984, did you make any requests of any countries outside of [redacted] [redacted] for assistance to the contras?

A No.

Q Have you heard of a ship called the Erria?

A No.

Q In the spring of 1986, did Colonel North discuss with you a ship that he had available for use

Q Were there any plans developed at the agency to provide additional or other sources of funds for the contras?

A None that I was aware of.

Q Did you have any discussions throughout 1984 with Mr. Casey about other ways to fund the contras since the CIA money had either run out or been cut off?

A No. There never was any discussion.

MR. EGGLESTON: I don't have anything further.

MR. BARBADORO: A few quick points.

EXAMINATION

BY MR. BARBADORO:

Q Picking up on what Mr. Eggleston is asking you about, at any point [redacted] the Latin American division, were you aware of any discussions in the agency about soliciting aid from third countries?

A No.

MS. MCGINN: For the contras?

THE WITNESS: What time period are we talking about?

BY MR. BARBADORO:

Q [redacted] So, let me put a cut-off of between January 1, 1984 and the time you left the Latin American division.

A In October.

Now -- ask me the question again.

Q The question is, during that period of time, to your knowledge, were there any discussions in the CIA about soliciting aid from third countries?

A No. Soliciting aid for third countries never came up, to my knowledge.

Q Why was [redacted] replaced as the head of the Central American task force?

A At that time, we are talking about October. He wasn't going to be replaced. I wanted him to stay on until the spring of -- what year are we in? 1985? I sort of wanted a phase-in with [redacted] Those two in the same room for more than three days is just impossible.

The plan had been for [redacted] to leave in the spring of 1985, anyway.

Q He was being asked to leave before his normal tour was up. Do you know why?

A I don't know whether he was being asked to leave before his normal tour was up. If a phase of a transfer had happened the way the director wanted it to happen at that time, there would have been a long overlap into the spring of 1985, which would have been when he wanted out, anyway.

Q Why did they plan to have a period of overlap

# Exhibit DRC-19

UNCLASSIFIED

ACTION

[redacted]

C

84 357382[illegible]SP PAGE 001 [redacted]

TOR: 0[redacted] MAR 84

---

S E C R [redacted] MAR 84 STAFF

CITE [redacted]

TO: PRIORI[illegible]

[redacted]

SUBJECT: [redacted] VISIT

REF: [redacted]

1. AT SAME DINNER AT HIS RESIDENCE MENTIONED REF, [redacted] RAISED WITH [redacted] POSSIBILITY OF YOUR VISIT AND THAT OF [redacted] WILL NEED A FEW WEEKS ADVANCE NOTICE IF YOU ARE INTERESTED. ON[redacted]TER, [redacted] MENTIONED THAT [redacted] WAS OPTIMISTIC OF POSITIVE SUPPORT TO [redacted] REQUESTS I[redacted] COMES HERE. THIS VISIT WOULD ONLY BE HA[redacted] IF VISIT ON, PLEASE BEAR THAT IN MIND, IN WHATEVER COORDINAT[redacted]ROCESS YOU HAVE IN MIND. GIVEN CURRENT SENSITIVITIES, MIGHT BE BE[redacted] STALL FOR A BIT ON THIS ONE.

2. NO FILE. DECL OADR DRV [redacted] SECRET.

END OF MESSAGE SECR[redacted]

EXHIBIT
DRC-19

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by 3. Reger, National Security Council

3583

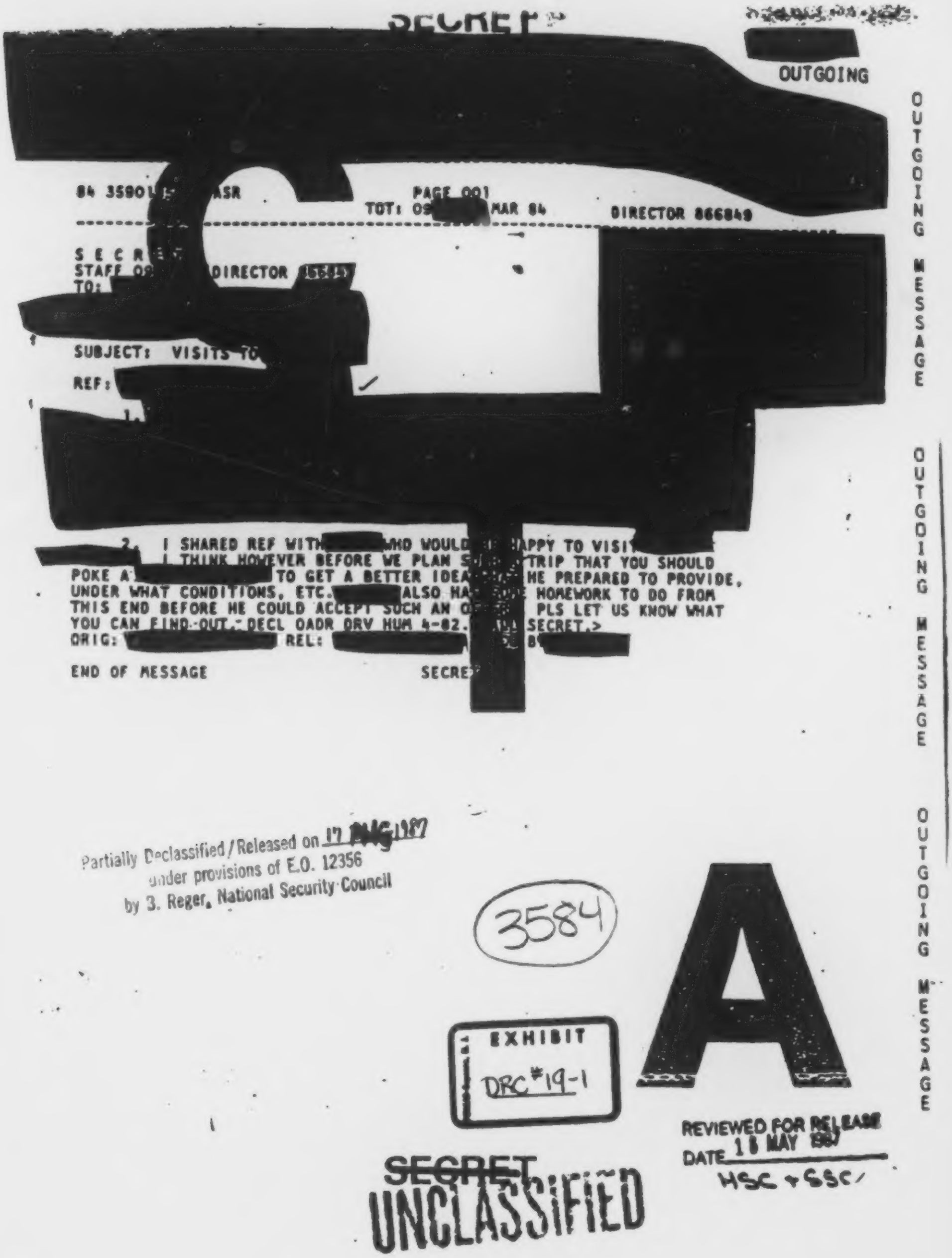
A

UNCLASSIFIED

~~SECRET~~

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC+SSC

## Exhibit DRC-19-1



SECRET

[redacted]

OUTGOING

[redacted]

84 3590[redacted]ASR PAGE 001
TOT: 09[redacted]MAR 84 DIRECTOR 866849

SECR[redacted]
STAFF 09[redacted]DIRECTOR [redacted]
TO: [redacted]

SUBJECT: VISITS TO[redacted]

REF: [redacted]

1. [redacted]

2. I SHARED REF WITH[redacted]WHO WOULD[redacted]HAPPY TO VISIT[redacted]
[redacted] I THINK HOWEVER BEFORE WE PLAN S[redacted]TRIP THAT YOU SHOULD POKE A[redacted]TO GET A BETTER IDEA[redacted]HE PREPARED TO PROVIDE, UNDER WHAT CONDITIONS, ETC.[redacted]ALSO HA[redacted]HOMEWORK TO DO FROM THIS END BEFORE HE COULD ACCEPT SUCH AN O[redacted] PLS LET US KNOW WHAT YOU CAN FIND OUT. DECL OADR DRV HUM 4-82.[redacted]SECRET.>
ORIG: [redacted] REL: [redacted] 8[redacted]

END OF MESSAGE SECRE[redacted]

OUTGOING MESSAGE OUTGOING MESSAGE OUTGOING MESSAGE

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by 3. Reger, National Security Council

3584

EXHIBIT
DRC #19-1

A

REVIEWED FOR RELEASE
DATE 18 MAY 1987
HSC + SSC

~~SECRET~~
UNCLASSIFIED

## EXHIBIT DRC-19-2

UNCLASSIFIED

[redacted] OUTGOING

[redacted]

84 3713[redacted] ASO PAGE 001 TOT: 23[redacted]MAR 84 DIRECTOR 883762

S E C R[redacted]
STAFF 23[redacted] DIRECTOR [redacted]
TO: IMME[redacted]
[redacted]

SUBJECT: [redacted] ASSISTANCE TO NICARAGUAN PROJECT

REFS: A. [redacted]
B. DIRECTOR 866849

FROM [redacted]

1. DURING A MEETING WIT[redacted] ON 23 MARCH ON THE NICARAGUAN PROJECT, I MENTIONED TO HI[redacted] COMMENTS TO YOU IN REF A. HE SUGGESTED [redacted] T SEND A CABLE TO [redacted] ASKING HIM TO MEET WITH [redacted] ING POSSIBLE SUPPORT.

2. I LEARNED FROM [redacted] THAT [redacted] NOT BE [redacted] DURING [redacted] S VISIT, AND THE PENU[redacted]E SENTENCE IN REF A SEEMS TO [redacted] PROBABLY [redacted] D NOT RAISE THE MATTER WITH [redacted] PLEASE ADVISE [redacted] Y IMPRESSION IS CORRECT OR NOT AND WHETHER YOU HAVE HAD [redacted] NCE TO SOUND OU[redacted] ON WHAT HE IS PREPARED TO DO IN THE WAY [redacted] SSISTANCE PER REF B.
DECL OADR DRV HUM 4-82. ALL SECRET. >
ORIG: [redacted] CLARRIDGE[redacted]; REL: [redacted] CL B[redacted]

END OF MESSAGE SECR[redacted]

3585

Partially Declassified/Released on 17 AUG 87
under provisions of E.O. 12356
by B. Reger, National Security Council

A

EXHIBIT
DRC#19-2

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC-SSC

~~SECRET~~
UNCLASSIFIED

## EXHIBIT DRC-19-3

UNCLASSIFIED

[redacted] ACTION

84 371[redacted] ASO PAGE 001 IN 3719962
TOR: 2[redacted]MAR 84 [redacted]

S E C R[redacted]MAR[redacted]STAFF

CITE [redacted]

TO: IMMEDIA[redacted]DIRECTOR.

[redacted]

SUBJECT: [redacted] ASSISTANCE TO NICARAGUA

REF: DIRECTOR 883762

1. SPOKE TO [redacted] A FEW DAYS AGO REGARDING CENTRAL AMERICAN/NICARAGUAN SITUATION. [redacted] BELIEVES SOME INDEPENDENT HELP FROM THE MILITARY HERE [redacted] POSSIBLE BOTH IN TRAINING AND EQUIPMENT. [redacted] FORSEES THESE BEING UNDERTAKNE ON DIRECT BASIS BETWEEN [redacted] AND [redacted] WITH [redacted] OFFERING BEHIND THE SCENES ADVI[redacted] OF WHERE TO PLUG IN AND WHAT ASSISTANCE WOULD BE TRULY USEF[redacted] HOWEVER [redacted] REMAINS OPEN TO SUGGESTIONS FOR OTHER APPROACHES.

2. [redacted] BELIEVE BEST HANDLED [redacted] VISIT FROM YOU WHICH WOULD BE MOST WELCOME ANY TIME, BUT WIL[redacted]ISCUSS WIT[redacted] AND [redacted] UPON THEIR ARRIVAL. [redacted] URGE[redacted]HIS APPROACH, AND WILL NO DOUBT USE YOUR TRAVEL AND MEETINGS HER[redacted]O NAIL DOWN FINAL APPROVAL FOR SUCH SUPPORT.

3. DELAY BY [redacted] IN ADDRESSING ISSUE WAS CAUSED BY VERY HECTI[redacted] BELIEVE ONCE COURSE OF COOPERATION AGREED UPON, WE CAN EXPECT EFFICIENT AND RAPID REACTION FROM THEM.

4. FILE: DEFER. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE SECRET

EXHIBIT
DRC #19-3

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

3586

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC+SSC

~~SECRET~~
UNCLASSIFIED

UNCLASSIFIED

75-958 ~~418~~

/05 [redacted]

ER [redacted] / [redacted] 4/6

Ask DCI if he handed attached
to Mr. McFarlane on Tuesday,
27 March.

Yes - hold it close, no dist.

EYES ONLY

Attached for your EYES ONLY file. No distribution, per DCI. He said Mr. McFarlane will return his copy to us when he is finished with it.

[redacted] 6 April

Executive Registry
84-1635

C

I

A

3587

Nicaragua

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

Executive Registry 5710

## EXHIBIT DRC-19-4

~~SECRET~~

UNCLASSIFIED

The Director of Central Intelligence
Washington, D.C. 20505

27 March 1984

MEMORAN[redacted]R: The [redacted]le Robert C. McFarlane
Assistant to the President for
National Security Affairs

SUBJECT: Supp[redacted] Assistance to Nicaragua Program

1. In view of possible difficulties in obtaining supplemental appropriations to carry out the Nicaraguan covert action project through the remainder of this year, I am in full agreement that you should explore funding alternatives with [redacted] I believe your thought of putting one of your staff in touch with the appropriate [redacted] should promptly be pursued. You will recall that the Nicaraguan project runs out of funds in mid-May. Although additional moneys are indeed required to continue the project in the [redacted]at fiscal year, equipment and materiel made available from other sourc ght in part substitute for some funding. We are therefore currently exp g two such alternatives. Please note, however, that we are unlikely to m e materiel assistance from these sources by mid-May.

2. The first of these alternatives equiring from [redacted]

3. The second alternative we are exploring is the procurement of assistance from [redacted]

4. Finally, after examining legalities, you might consid[redacted] appropriate private US citizen to establish a foundation that b recipient of nongovernmental funds which could be disbursed t an FDN.

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

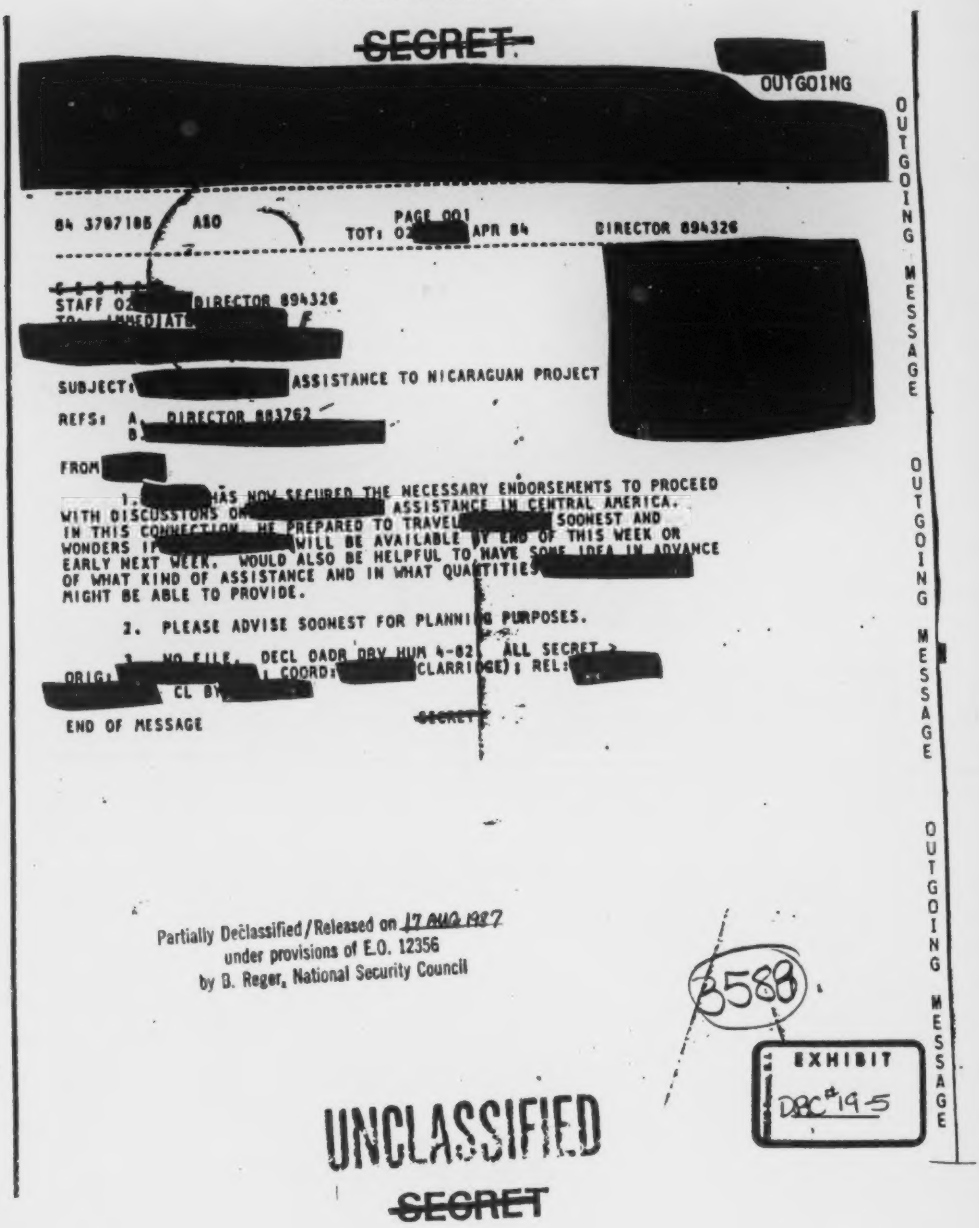
William J.

UNCLASSIFIED

EXHIBIT
DRC #19-4

Executive Registry 1312

## Exhibit DRC-19-5



~~SECRET~~

[redacted]

OUTGOING

[redacted]

84 3797185 ASO PAGE 001
TOT: 02[redacted] APR 84 DIRECTOR 894326

[redacted]

~~S E C R E T~~
STAFF 02[redacted] DIRECTOR 894326
TO: IMMEDIATE [redacted]

[redacted]

SUBJECT: [redacted] ASSISTANCE TO NICARAGUAN PROJECT

REFS: A. DIRECTOR 893762
B. [redacted]

FROM [redacted]

1. [redacted] HAS NOW SECURED THE NECESSARY ENDORSEMENTS TO PROCEED WITH DISCUSSIONS ON [redacted] ASSISTANCE IN CENTRAL AMERICA. IN THIS CONNECTION, HE PREPARED TO TRAVEL [redacted] SOONEST AND WONDERS IF [redacted] WILL BE AVAILABLE BY END OF THIS WEEK OR EARLY NEXT WEEK. WOULD ALSO BE HELPFUL TO HAVE SOME IDEA IN ADVANCE OF WHAT KIND OF ASSISTANCE AND IN WHAT QUANTITIES [redacted] MIGHT BE ABLE TO PROVIDE.

2. PLEASE ADVISE SOONEST FOR PLANNING PURPOSES.

3. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET > [redacted]
ORIG: [redacted]; COORD: [redacted] (CLARRIDGE); REL: [redacted]
[redacted] CL BY [redacted]

END OF MESSAGE ~~SECRET~~

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MESSAGE

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

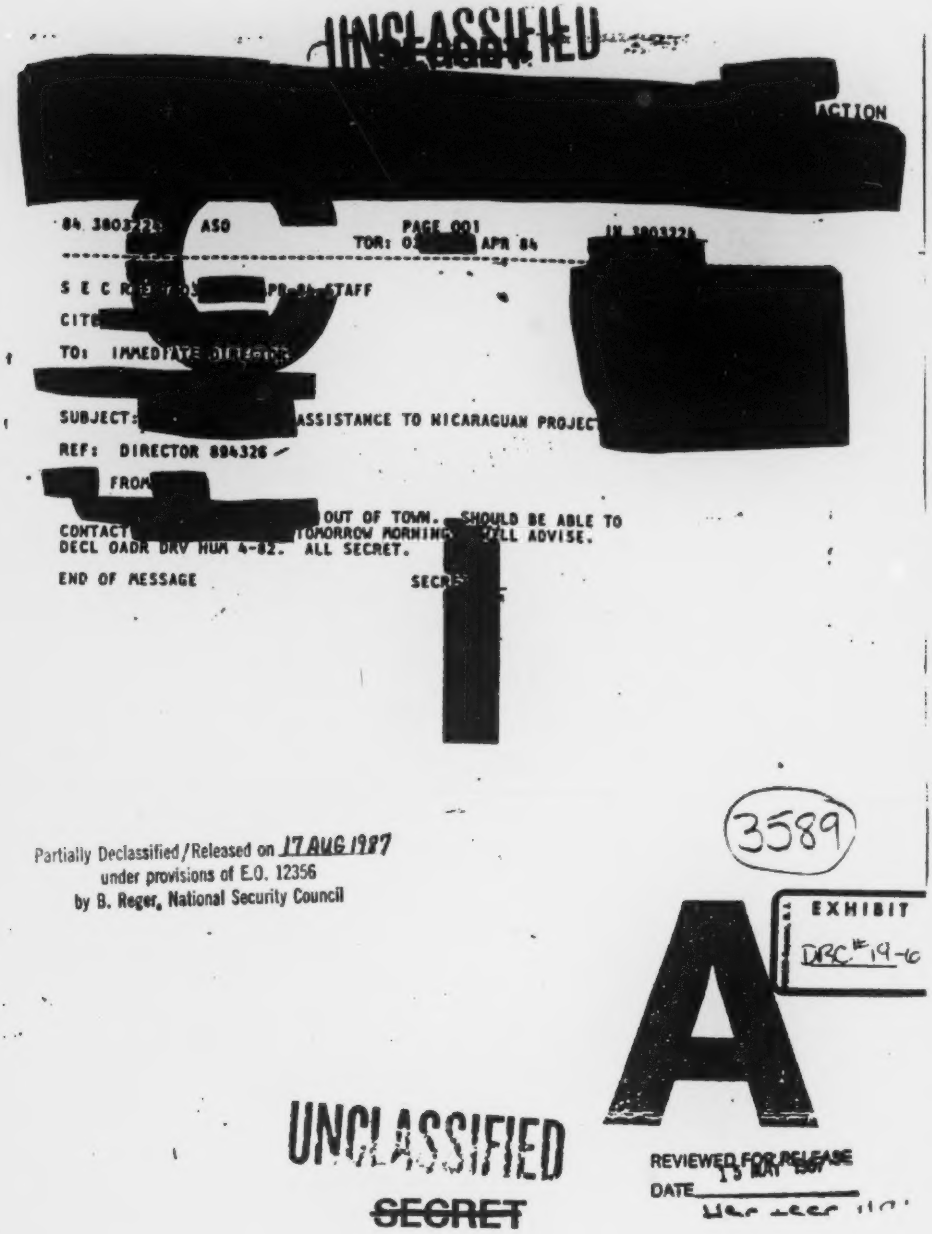
3588

EXHIBIT
DRC#19-5

UNCLASSIFIED

~~SECRET~~

# EXHIBIT DRC-19-6



UNCLASSIFIED

[redacted] ACTION

84 38037[redacted] ASO PAGE 001 IN 3803726
TOR: 0[redacted] APR 84

S E C R [redacted] STAFF

CITE [redacted]

TO: IMMEDIATE [redacted]

[redacted]

SUBJECT: [redacted] ASSISTANCE TO NICARAGUAN PROJEC[redacted]

REF: DIRECTOR 894326

[redacted] FROM [redacted]

[redacted] OUT OF TOWN. SHOULD BE ABLE TO CONTACT [redacted] TOMORROW MORNING [redacted] WILL ADVISE.
DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE SECR[redacted]

3589

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC #19-6

A

UNCLASSIFIED
~~SECRET~~

REVIEWED FOR RELEASE
DATE 13 MAY 1987

## EXHIBIT DRC-19-7

~~SECRET~~ UNCLASSIFIED

[redacted] ACTION

84 3812[redacted] ASO PAGE 001 IN 3812408
TOR: 04[redacted] APR 84 [redacted]

---

S E C R [redacted] APR 84 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR

[redacted]

SUBJECT: [redacted] ASSISTANCE TO NICARAGUAN PROJECT [redacted]

REFS: A. [redacted]
B. DIRECTOR 894326

1. [redacted] WELCOMES [redacted] VISIT AND OPINES THAT HE SHOULD BE ABLE TO COME UP WITH A "MODEST BUT REASONABLE AMOUNT OF EQUIPMENT" PLUS A GOOD BILATERA[redacted] TRAINING PROGRAM IN SHORT ORDE[redacted]

2. APPOINTMENT FO[redacted] WITH [redacted] SET [redacted] 17 APRIL AT 10 AM WITH LUNCH TO FOLLOW. [redacted] BELIEVE[redacted] ADDITIONAL MEETINGS WILL BE NEEDED AND ASKS THAT [redacted] SPEND [redacted] MINIMUM 17 AND 18 APRIL [redacted]

3. RECOMMEND [redacted] TAKE [redacted] STAYING AT [redacted] RESIDENCE. SUGGEST [redacted] NEED TO GET RIGHT DOWN TO BUSINESS SHORTLY AFTER ARRIVAL THAT HE UPGRADE CLASS OF TRAVEL IF POSSIBLE.

4. REQUEST SPECIFIC GUIDANCE AS TO WHETHER [redacted] SHOULD BE APPRISED OF ABOVE VISIT, AND IF SO, WHAT IF ANYTHING SHOULD BE TOLD TO HIM REGARDING NATURE AND PURPOSE [redacted] CLAIMS THAT ENTIRE MATTER CLOSELY HEL[redacted] PLS CONFIRM ABOVE ARRANGEMENTS ACCEPTABLE SOONEST.

5. NO FILE, DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE SECRET

3590

EXHIBIT
DRC # 19-7

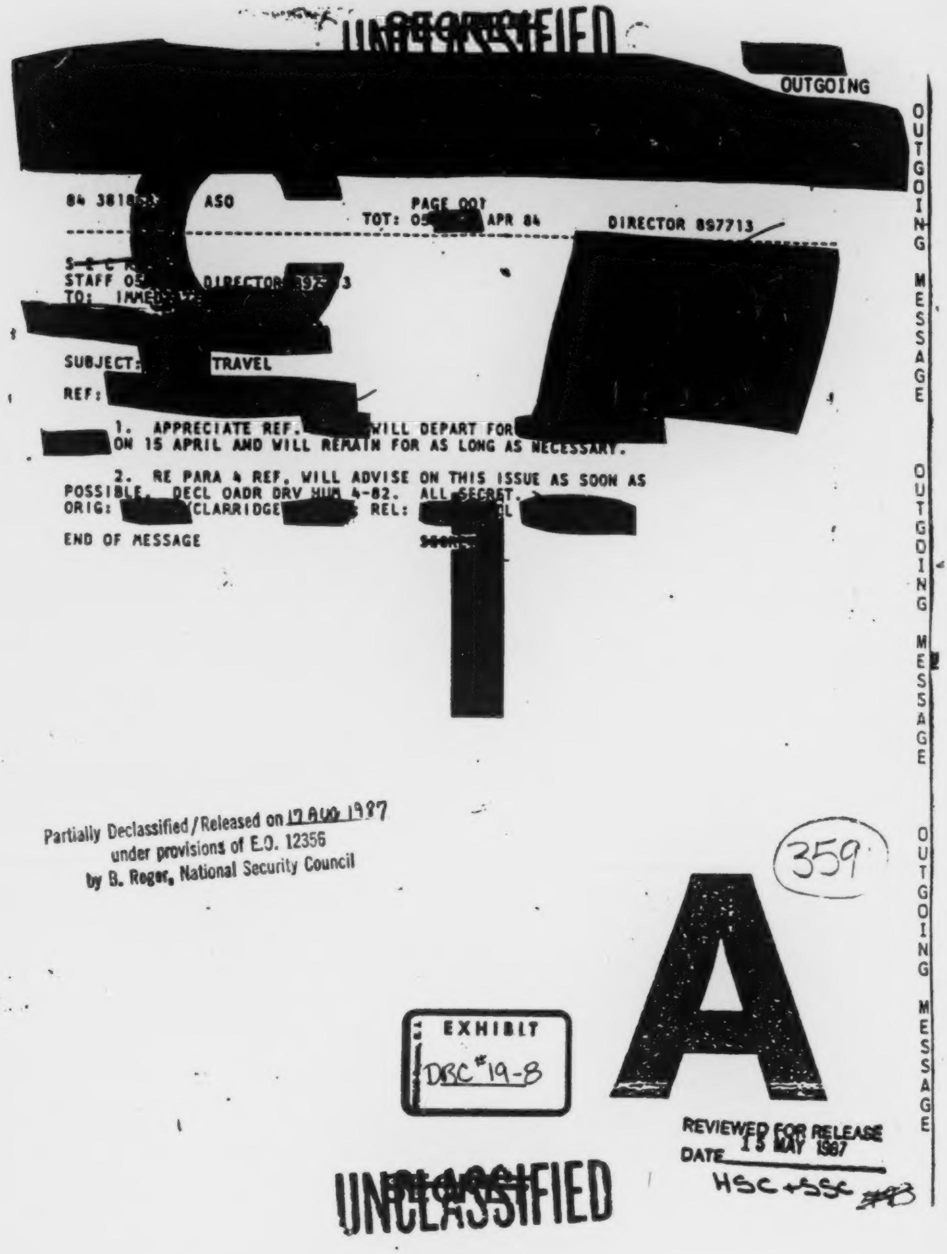
A

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC + SSC

~~SECRET~~ UNCLASSIFIED

## Exhibit DRC-19-8



UNCLASSIFIED

[redacted]

[redacted] OUTGOING

84 3818 ASO PAGE 001

TOT: 05[redacted] APR 84 DIRECTOR 897713

~~S E C R E T~~

STAFF 05 DIRECTOR 897 3

TO: IMMED

[redacted]

[redacted]

SUBJECT: TRAVEL

REF: [redacted]

1. APPRECIATE REF. [redacted] WILL DEPART FOR [redacted] [redacted] ON 15 APRIL AND WILL REMAIN FOR AS LONG AS NECESSARY.

2. RE PARA 4 REF, WILL ADVISE ON THIS ISSUE AS SOON AS POSSIBLE. DECL OADR DRV HUM 4-82. ALL SECRET.

ORIG: [redacted] (CLARRIDGE [redacted] REL: [redacted] L [redacted]

END OF MESSAGE

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

359

EXHIBIT
DRC #19-8

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC + SSC #93

UNCLASSIFIED

OUTGOING MESSAGE OUTGOING MESSAGE OUTGOING MESSAGE

## EXHIBIT DRC-19-9

~~SECRET~~

[redacted]

[redacted] INCOMING

84 3822[redacted] ASO PAGE 001 IN 3822683
TOR: 05[redacted] APR 84 [redacted]

---

S E C R[redacted]APR[redacted]STAFF

CITE [redacted]

TO: IMMEDIATE [redacted]ECTOR.

[redacted]

SUBJECT: [redacted] TRAVEL

REF: DIRECTOR 897713

1. [redacted] WOULD NOW LIKE TO MOVE MEETING UP TO [redacted] IF [redacted] UNABLE TO MOVE TRAV[redacted]P, MEETING WILL HAVE TO BE SOMETIME AFTER 23RD POSSIBLY [redacted]TE AS 30 APRIL. [redacted]

2. PLEASE ADVISE SOONEST PREFERABLY [redacted]OSE OF BUSINESS HERE [redacted] SINCE [redacted]D LIKE TO FIRM UP ARRANGEMENTS SOONEST IN VIEW OF TIGHT T[redacted]ME.

3. AS TO CONTACT, [redacted] DECL OADR DRV HU[redacted]2. ALL SECRET.

CDO COMMENT: [redacted] SUGGESTS DISSEM TO [redacted]

END OF MESSAGE SECRET

3592

EXHIBIT
DRC #19-9

A

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC+SSC

~~SECRET~~

## Exhibit DRC-19-10

~~SECRET~~

UNCLASSIFIED

[redacted] INCOMING

[redacted] . . . .

[redacted]

84 3822[redacted] ASO PAGE 001 [redacted]

TOR: 05[redacted] APR 84 [redacted]

S E C R[redacted] APR[redacted] STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

SUBJECT: IDENTITY

REF: [redacted]

IDEN: [redacted]

DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE SECRET[redacted]

3593

EXHIBIT
DRC#19-10

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

UNCLASSIFIED

~~SECRET~~

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC+SSC

## EXHIBIT DRC-19-11

SECRET

[redacted]

[redacted]

OUTGOING

84 3825[redacted] ASO PAGE 001

TOT: 05[redacted]APR 84 DIRECTOR 898636

[redacted]

---

~~S E C R~~[redacted]

STAFF 05[redacted]DIRECTOR [redacted]

TO: IMME[redacted]

[redacted]

SUBJECT: [redacted] TRAVEL

REF: [redacted]

[redacted]WILL ARRIVE[redacted]10 APRIL[redacted]

[redacted]DECL OADR DRV HUM 4-82. ALL SECRET. >

ORIG: [redacted] (CLARRIDGE [redacted]; REL: [redacted] CL B[redacted]

END OF MESSAGE ~~SECR~~[redacted]

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MESSAGE

3594

EXHIBIT
DRC #19-11

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC + SSC

~~SECRET~~
UNCLASSIFIED

## EXHIBIT DRC-19-12

~~SECRET~~

[redacted] ACTION

84 385[redacted] ASO PAGE 001 [redacted]
TOR: 09[redacted] APR 84

~~S E C~~ [redacted] 09[redacted] APR 84 STAFF

CIT[redacted]

TO: IMMED[redacted]OR INF[redacted]

[redacted]

SUBJECT: [redacted] VISIT

PLEASE PROVIDE RESPONSE ON HOW TO HANDLE [redacted] VISIT WITH [redacted] BY OPENING OF BUSINESS TUESDAY, APRIL 10. [redacted] RETURNS TO [redacted] FROM [redacted] MID-DAY TUESDAY). FROM THIS VANTAGE POINT SUGGEST PRESENTATION AS FOLLOW-UP ON [redacted] PROMISE AT JANUARY DISCUSSIONS TO PROVIDE "INSIDE" [redacted] ON DEVELOPMENTS IN CENTRAL AMERICA WOULD SUFFICE. WOUL[redacted] ADDITION EXPLAIN THAT SUDDENNESS OF VISIT RESULT OF UNEXPECTED [redacted] DOW IN [redacted] SCHEDULE AND AVAILABILITY OF APPROPRIAT[redacted] OULD TAILOR FURTHER BRIEFINGS IN MORE MEASURED MANNER DEPEN[redacted] ON RESULTS [redacted] DISCUSSIONS AT A LATER DATE. DECL OADR [redacted] HUM 4-82. ALL SECRET.

END OF MESSAGE SEC[redacted]

3595

EXHIBIT
DRC# 19-12

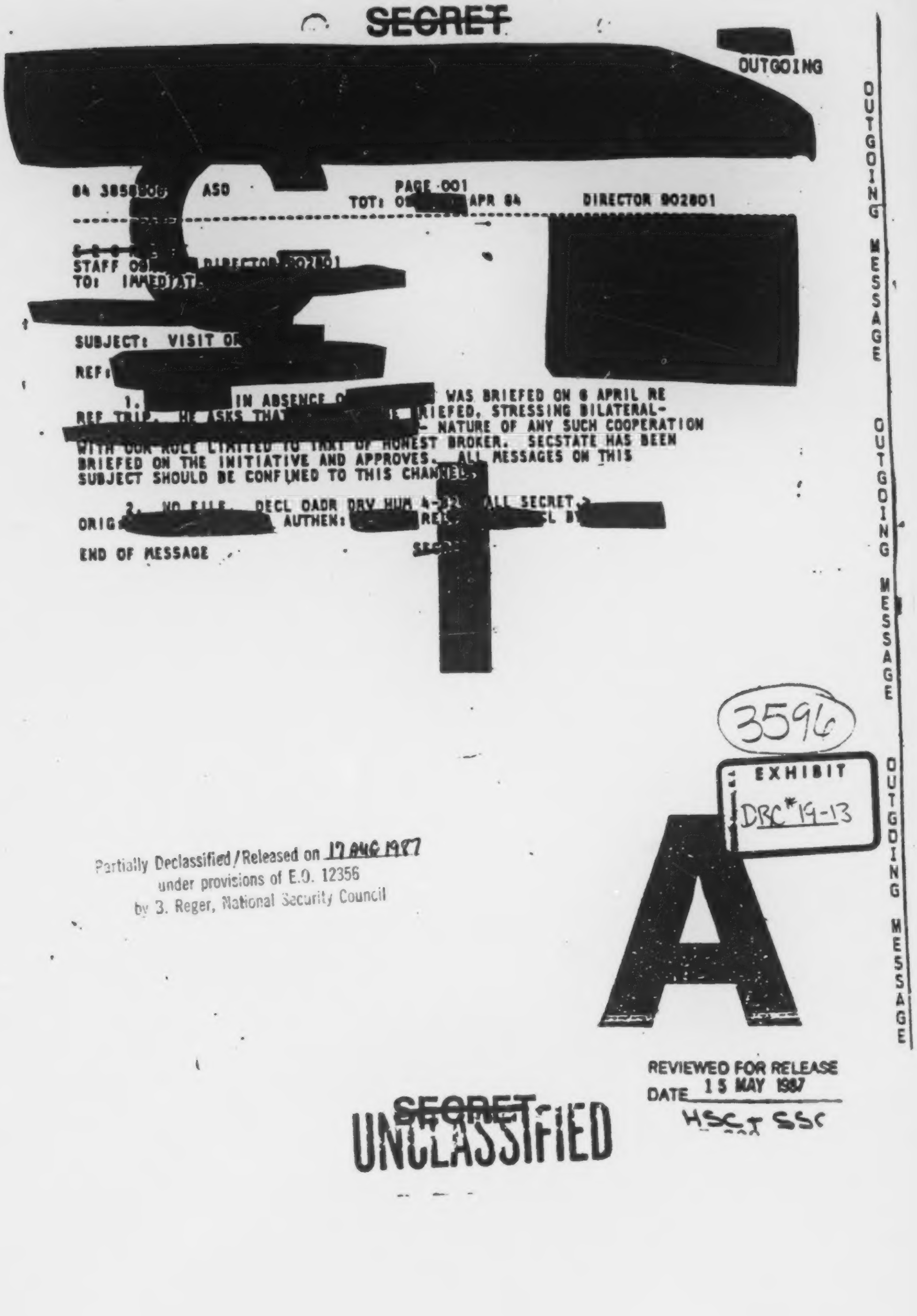
Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

UNCLASSIFIED
~~SECRET~~

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC+SSC
LLC

## EXHIBIT DRC-19-13



~~SECRET~~

[redacted]

OUTGOING

OUTGOING MESSAGE

84 3858[redacted] ASD PAGE 001
TOT: 0[redacted]APR 84 DIRECTOR 902801

[redacted]

~~S E C R E T~~ [redacted]
STAFF O[redacted] DIRECTOR [redacted]
TO: IMMEDIAT[redacted]

[redacted]

SUBJECT: VISIT O[redacted]

REF: [redacted]

1. [redacted] IN ABSENCE O[redacted] WAS BRIEFED ON 6 APRIL RE REF TRIP. HE ASKS THAT [redacted] BE BRIEFED, STRESSING BILATERAL- [redacted] - NATURE OF ANY SUCH COOPERATION WITH OUR ROLE LIMITED TO THAT OF HONEST BROKER. SECSTATE HAS BEEN BRIEFED ON THE INITIATIVE AND APPROVES. ALL MESSAGES ON THIS SUBJECT SHOULD BE CONFINED TO THIS CHANNEL.

2. NO FILE. DECL OADR DRV HUM 4-[redacted] ALL SECRET.
ORIG: [redacted] AUTHEN: [redacted] RE[redacted]L BY [redacted]

END OF MESSAGE SEC[redacted]

[redacted]

OUTGOING MESSAGE

3596

EXHIBIT
DRC # 19-13

OUTGOING MESSAGE

A

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC & SSC

~~SECRET~~
UNCLASSIFIED

## Exhibit DRC-19-14

~~SECRET~~

[redacted] OUTGOING

OUTGOING MESSAGE

84 3871[redacted] ASO PAGE 001 TOT: 10[redacted] APR 84 DIRECTOR 904514

[redacted]

~~S E C R E T~~
STAFF 1[redacted] DIRECTOR 904514
TO: IMME[redacted]

NIACT [redacted]

[redacted]

SUBJECT: [redacted] DISCUSSIONS WITH [redacted]

1. DDCI ADVISES THAT THERE ARE SOME SECOND THOUGHTS AROUND TOWN AS TO WISDOM OF INVOLVIN[redacted] IN ALREADY COMPLICATED CENTRAL AMERICAN EQUATION. REQUEST YOU HOLD OFF ON THIS ASPECT OF YOUR DISCUSSIONS UNTIL WE CAN GET DEFINITIVE WORD TO YOU.

2. [redacted]

3. WILL ADVISE SOONEST. NO FILE[redacted]DECL OADR DRV HUM 4-82.>

ORIG: [redacted] REL[redacted] CL B[redacted]

END OF MESSAGE [redacted]

OUTGOING MESSAGE

3597

EXHIBIT
DRC # 19-14

OUTGOING MESSAGE

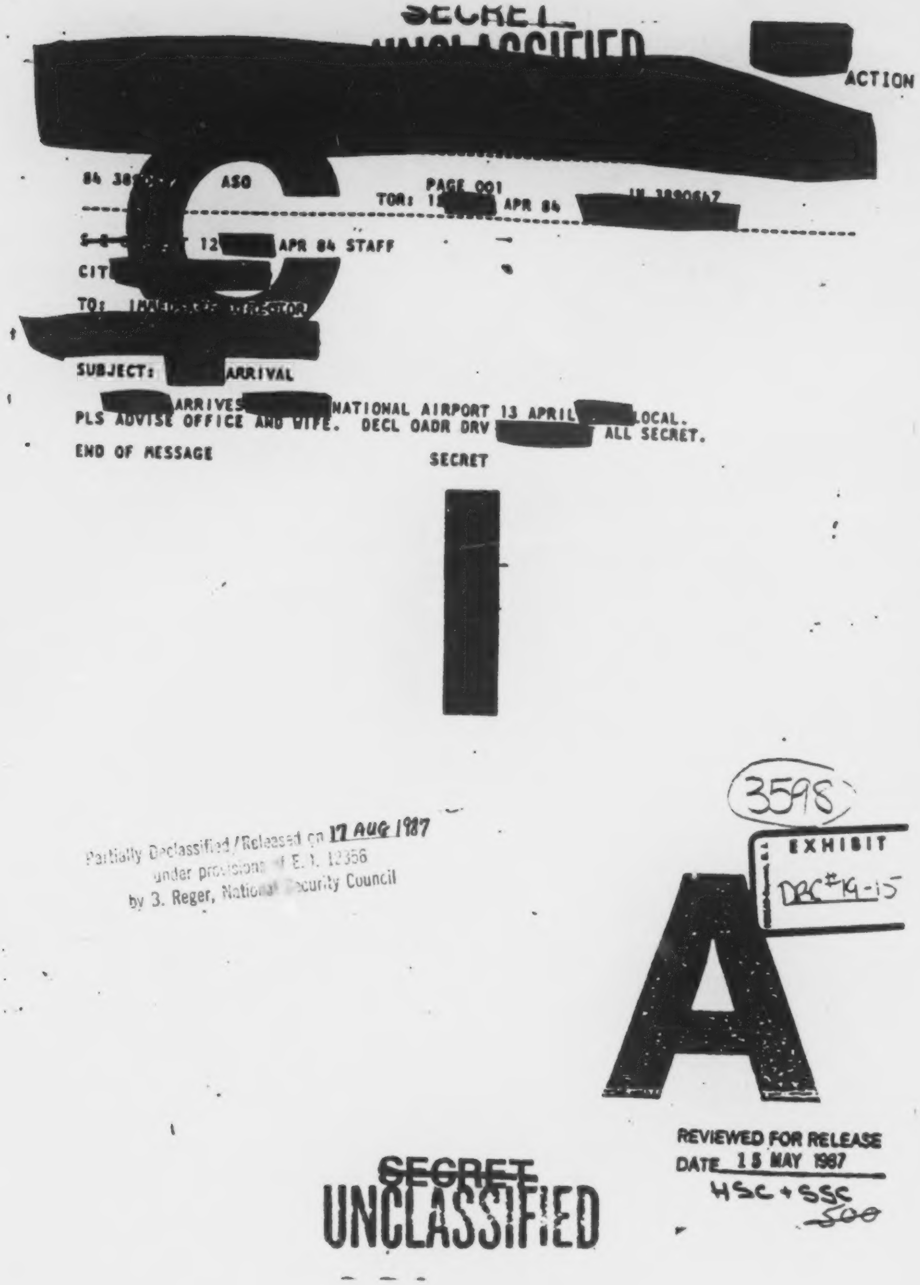
Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC + SSC

~~SECRET~~
UNCLASSIFIED

## Exhibit DRC-19-15



~~SECRET~~

[redacted] ACTION

84 38[illegible] ASO PAGE 001
TOR: 12[redacted] APR 84 [redacted]

S E C [illegible] T 12[redacted] APR 84 STAFF

CIT[redacted]

TO: IMMEDIATE DIRECTOR

[redacted]

SUBJECT: [redacted] ARRIVAL

[redacted] ARRIVES [redacted] NATIONAL AIRPORT 13 APRIL [redacted] LOCAL.
PLS ADVISE OFFICE AND WIFE. DECL OADR DRV [redacted] ALL SECRET.

END OF MESSAGE SECRET

[redacted]

3598

EXHIBIT
DRC#19-15

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC + SSC
500

~~SECRET~~
UNCLASSIFIED

## EXHIBIT DRC-19-16

UNCLASSIFIED [redacted] ACTION

[redacted]

84 4039535 [redacted] 50 PAGE 001 IN 4039535
TOR: 0[redacted] MAY 84 [redacted]

~~S E C R E T~~ 07[redacted] MAY 84 STAFF

CIT[redacted]

TO: IMMEDIATE DIRECTOR,

[redacted]

SUBJECT: REF DISCUSSIONS WITH [redacted]

REF: [redacted]

1. ANY WORD TO PASS [redacted] ON RECENT REF DISCUSSIONS. HAVE BEEN ABLE BY AVOIDANCE OF PERSONAL MEETING TO DELAY RESPONSE TO DATE, BUT LOCAL CIRCUMSTANCES NOW DICTATE NEED TO SE[redacted] SOONEST. IF NO DECISION YET REACHED, WILL TEMPORIZE ACCORDINGLY.

2. NO FILE. DECL OADR DRV HUM 4-82. [redacted] SECRET.

END OF MESSAGE ~~SECRET~~ [redacted]

3599

EXHIBIT
DRC # 19-16

A

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC + SSC

~~SECRET~~

UNCLASSIFIED

## EXHIBIT DRC-19-17

UNCLASSIFIED ~~SECRET~~

[redacted] ACTION

[redacted]

84 40410[redacted] ASO PAGE 001 IN [redacted]
TOR: 0[redacted]MAY 84

[redacted]

S[redacted] MAY[redacted]AFF

CITE[redacted]

TO: IMMEDIA[redacted]

[redacted]

SUBJECT: DISCUSSIONS WI[redacted]

REF: [redacted]

1. SHORTLY AFTER REF SENT [redacted] MEETING [redacted] TO DISCUSS STEPS TO IMPLEMENT[redacted]REF DISCUSSIONS. IMPLICIT WAS [redacted] WILLINGNESS TO PROCEED[redacted]THWITH. NOW NEED REF REPLY BY CLOSE OF BUSINESS [redacted] OMORROW.

2. NO FILE. DECL OADR DRV HUM 4-82. [redacted] SECRET.

END OF MESSAGE [redacted]

3600

EXHIBIT
DRC #19-17

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED
~~SECRET~~

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC + SSC

## EXHIBIT DRC-19-18

SECRET

[redacted]

[redacted] OUTGOING

OUTGOING MESSAGE

84 4042[illegible] [illegible]0 PAGE 001
TOT: 01[redacted]MAY 84 DIRECTOR 928788

~~S E C~~
STAFF 0[illegible] DIRECTOR [illegible]
TO: IMMEDIATE [redacted]
[redacted]

SUBJECT: DISCUSSIONS WITH [redacted]

REF: [redacted]

FROM [redacted]

[redacted]

- File

1. CURRENT FUROR HERE OVER THE NICARAGUAN PROJECT URGES THAT WE POSTPONE TAKING [redacted] UP ON THEIR OFFER OF ASSISTANCE. PLEASE EXPRESS TO [redacted] MY DEEP REGRET THAT WE MUST DO THIS, AT LEAST FOR THE TIME [redacted] AND I FULLY REALIZE THAT HE CANNOT CRANK UP ASSISTANCE ON A [redacted]'S NOTICE, SHOULD WE DECIDE TO GO FORWARD IN THE FUTURE.

2. [redacted]

DECL OADR DRV HUM 4-82. ALL SECRET. > [redacted]
ORIG: [redacted]A (CLARRIDGE X[redacted]; REL: C[redacted]CL BY [redacted]

END OF MESSAGE SEC[redacted]

OUTGOING MESSAGE

EXHIBIT
DRC# 19-18

3601

OUTGOING MESSAGE

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

REVIEWED FOR RELEASE
DATE 15 MAY 1987
HSC + SSC

~~SECRET~~
UNCLASSIFIED

## EXHIBIT DRC-19-19

[redacted]

UNCLASSIFIED

EXHIBIT
DRC# 19-19

Ⓝ FRS

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

5 FEB 1985

MEMORANDUM FOR: See Distribution List

SUBJECT: [redacted] Support for the Nicaraguan Armed Opposition Sandino Revolutionary Front

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE

[redacted]

1. [redacted]

2. During January 1985, a ship is scheduled to deliver 200,000 pounds of military supplies from [redacted] to the Sandino Revolutionary Front (FRS). [redacted]

3602

5

DO 39334

[redacted]

REVIEWED FOR RELEASE
Date 11 Aug 87
HSC-SSC

UNCLASSIFIED

COPY OF [redacted]

UNCLASSIFIED

[redacted]

6. This information is being made available to the U.S. Ambassadors [redacted] and to the Commander-in-Chief of the U.S. Southern Command.

[redacted]

for Clair E. George
Deputy Director for Operations

5

[redacted]

DO A 3 39333

UNCLASSIFIED

REVIEWED FOR RELEASE
Date [illegible]

UNCLASSIFIED

WARNING NOTICE
INTELLIGENCE SOURCES OR METHODS INVOLVED

EXTERNAL DISTRIBUTION LIST:

COPY NO. 1: Mr. Morton I. Abramowitz
The Director of Intelligence and Research

COPY NO. 2: The Honorable Kenneth W. Dam
Deputy Secretary of State

COPY NO. 3: Mr. Robert MacFarlane —
Assistant to the President
for National Security Affairs

COPY NO. 4: Ambassador Langhorne A. Motley
Assistant Secretary of State
for Latin American Affairs

COPY NO. 5: [redacted]

COPY NO. 6: Lt. General James A. Williams
Director, Defense Intelligence Agency

COPY NO. 7: [redacted]

COPY NO. 8: Deputy Director for Intelligence

COPY NO. 9: National Intelligence Officer
for Latin America

COPY NO. 10: [redacted]
COPY NO. 11:

[redacted]

A 3 5

DO 39332

REVIEWED FOR RELEASE
Date 1 May 87

UNCLASSIFIED

UNCLASSIFIED

[redacted]

SUBJECT: [redacted] Support for the Nicaraguan Armed Opposition
Sandino Revolutionary Front

[redacted]

DDO/LA/CATF [redacted] [redacted] (30 January 1985)

INTERNAL DISTRIBUTION LIST:

COPY NO. 12 : DCI
COPY NO. 13 : DDCI
COPY NO. 14 : EXEC REG (Dummy Copy)
COPY NO. 15 : DDO/ADDO
COPY NO. 16 : DDO/REG (Dummy Copy)
COPY NO. 17 : [redacted]
COPY NO. 18 :
COPY NO. 19 :
COPY NO. 20 :
COPY NO. 21 :
COPY NO. 22 :
COPY NO. 23 :
COPY NO. 24 :

Based On:

[redacted]

A

5

REVIEWED FOR RELEASE
Date 1 May 87
HSC-SSC

DO [illegible] 39531

4

UNCLASSIFIED

# Exhibit DRC-19-20

UNCLASSIFIED ~~SECRET~~

Central Intelligence Agency

Washington, D.C. 20505

cy-2

6 July 1987

Mr. Neil Eggleston
Deputy Chief Counsel
Select Committee to Investigate Covert
  Arms Transactions with Iran
House of Representatives
Washington, D.C. 20515

Dear Mr. Eggleston:

You will recall that in my letter of 22 June 1987 to you, I indicated that although we did not anticipate finding any further documents concerning Duane Clarridge's 1984 trip [redacted] we would provide them if they became available. I am enclosing two such documents that we have just located. (S)

The first, Director 894326 (CIIN#4292), is a cable that was found as a result of a rereview by hand of archived material. That rereview had been instituted by the committees' continuing interest in this area and by a request dated 2 June for the cable by number from the Senate Select Committee. The rereview was, however, completed only recently, and this cable did not surface in time to be reflected in my 22 June letter to you. (S)

Also enclosed is a copy of a document recently located by the Directorate of Operations Latin America Division as a part of a search of its records on this subject (CIIN 4293). Although undated, it appears to have been prepared shortly after the Clarridge trip. We are not able to establish whether or not the statement was, in fact, provided to the Senate Select Committee on Intelligence as the cover note states. (S)

Sincerely,

[redacted]

3603

EXHIBIT
DRC#19-20

Enclosures
  as stated

cc: Paul Barbadoro, Deputy Chief Counsel, Select Committee on Secret
  Military Assistance to Iran and the Nicaraguan Opposition w/enclosures)

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O 12356
by B. Reger, National Security Council

UNCLASSIFIED

CL BY 538103
DECL OADR
DERIVED FROM FOR 6-82

UNCLASSIFIED

**TRANSMITTAL SLIP**

DATE

TO: [redacted] LA

ROOM NO.

BUILDING

REMARKS:

This is copy of statement which Clair gave to OLL for passing to SSCI.

[redacted]

FROM:

ROOM NO.

BUILDING

EXTENSION

FORM NO. 241 1 FEB 55 REPLACES FORM 36-8 WHICH MAY BE USED. (47)

Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by [illegible] Council

36039

UNCLASSIFIED

REVIEWED FOR RELEASE
DATE 1 JUL 1987

UNCLASSIFIED

Mr. Duane Clarridge, [redacted] of the Latin American Division of the Directorate of Operations, visited [redacted] between 9 and 13 April 1984 at the request of [redacted] to brief them on developments in Central America [redacted] At no time did he request or receive any support from [redacted] for the Nicaraguan covert action program.

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3603b

UNCLASSIFIED

REVIEWED FOR RELEASE 514
DATE 1 JUL 1987

~~SECRET~~

## EXHIBIT DRC-20

UNCLASSIFIED

[redacted]

~~TOP SECRET~~/CODEWORD

memoranda.

Q Do you know whether [redacted] ever did give or provide any funding to the contras?

A I suspected they did, but I had no firsthand knowledge.

Q What led you to suspect that they did?

A Well, when the Boland Amendment came down I wondered what countries could possibly help out, and I figured that [redacted]

Q Why did you pick those countries as possible donors?

A Because they, I think, were well disposed towards the Administration and wanted to help the Administration.

Q Are they also countries that might have something to gain from the Administration by supporting a program like this?

A By all means.

3604

Q The memorandum says, in the third paragraph: "The second alternative we" -- meaning the CIA -- "are exploring is the procurement of assistance from [redacted] [redacted] I've also shown you before the deposition a series of cables which we'll get into in a moment about

~~TOP SECRET~~/CODEWORD

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
DRC-20

UNCLASSIFIED

7c-938

~~TOP SECRET~~/CODEWORD

that approach, but can you tell me from where did the idea come to go [redacted] to obtain aid for the contras?

A I don't know. It's conceivable that when the Agency learned that [redacted] But I don't know who really originated it.

Q You don't know, but you would think that Clarridge might have been the person?

A Right.

Q The final alternative mentioned is in paragraph four and says: "Finally, after examining legalities you might consider" -- and I can't read one of the words -- "appropriate private U.S. citizen to establish a foundation that can be a recipient of non-government funds which could be dispersed to the FDN."

Did you ever discuss during this time period with Director Casey the possibility of finding private citizens to establish a foundation which could receive non-government funds to support the FDN?

A No. And, knowing my contacts in the United States, they don't have money to do that.

~~TOP SECRET~~/CODEWORD

UNCLASSIFIED

Q Casey never talked to you, though, about that as a possible way of supporting the contras?

A No, I don't think he did.

Q Do you know where he came up with this idea that is mentioned in paragraph four of the memorandum?

A It could be his fertile mind, because he is always thinking of ways of figuring things out. And, of course, he knows the entire power and financial structure in the United States.

Q It was never something he discussed with you, however?

A No. I'm sure from his fundraising days for the Republican Party he had a pretty good fix on what people are prepared to help.

Q Let me mark as McMahon Exhibit 2 the series of cables concerning the attempt or the discussion about obtaining aid from [redacted] for the record, these cables run by the Committee numbers C-8933 through C-8945, and they run CIIN numbers 3871 through 3883.

(The document referred to was marked McMahon Exhibit Number 2 for identification.)

Mr. McMahon, these are the cables that I showed you before the deposition, correct?

A Right.

UNCLASSIFIED 7ɔ-938

~~TOP SECRET~~/CODEWORD

Q And in general terms they describe a proposed trip, which did take place, wher[redacted] [redacted] went [redacted] to discuss the possibility of obtaining aid [redacted] for the contras. However, although the trip took place, the actual attempt to solicit the aid did not take place. Is that a fair summary?

A That's my recollection of it. I think we turned him off of that.

Q Do you know how it happened that [redacted] [redacted] came to go to [redacted]

A I don't know, you know, how that was spawned, but from looking at this it's obvious that he went over to discuss getting access [redacted] [redacted] have to use for the contra program.

Q Did Director Casey ever discuss this possibility with you of obtaining aid from [redacted]

A Not in the beginning. I think from here it notes that they caught up to me with this idea during a trip.

Q Weren't you making a trip to [redacted] around that time?

A I was making a trip [redacted]

~~TOP SECRET~~/CODEWORD

UNCLASSIFIED

[redacted] And when I was asked to do this, I said all right, since I'm over there I will go [redacted]

Q Who asked you to go [redacted]

A Me.

Q You decided on your own?

A Right.

Q And what were you going to go [redacted] to do?

A Just to touch base with [redacted] But the purpose of the trip was [redacted]

[redacted]

Q Let me interrupt for a second. When you went to [redacted] did you have any intention of discussing the possibility of [redacted] giving either money or materiel to the contras?

A Not when I left, but I guess I got a cable to do that.

Q Who sent you that cable -- and if you need to take a moment to go through them, please.

A I guess the cable was sent out by -- it was sent out by Dewey Clarridge, saying that he had a meeting with the DCI on 23 March on the Nicaraguan project and he suggested that Dewey send the cable to me and have me raise it with [redacted] when I got over there.

Q What was your response?

73-938 067

A I didn't respond, that I recall.

Q Did you raise it with [redacted]

A I don't think so [redacted] And, therefore, I don't think it was raised.

Q Did you have some reluctance about raising that issue?

A Yes. I didn't think it was a good idea.

Q Why not?

A Because we had enough problems with Congress on the Nicaraguan program [redacted]

Q Apart from the problems with Congress are there any policy reasons why you thought it might not be a good idea to solicit aid [redacted] for the contras?

A No.

Q When did you learn that [redacted] [redacted] Dewey Clarridge, was planning to make a trip [redacted] to ask for aid for the contras?

A Well, I think after I came back he was preparing to go.

Q Do you know whether that trip had any other purpose other than to try to obtain aid for the contras?

A I can't say.

Q Did you have any discussions with Mr. Clarridge about the trip before he left?

A Yes. [redacted]

Q [redacted]

A [redacted] I was dead set [redacted] [redacted] going to Nicaragua.

Q Had a decision been made by the time Mr. Clarridge left as to whether he was going to ask for aid for the contras?

A Yeah. I think that was turned off. I think we knocked that off.

Q So you are saying that you think by the time he left the decision had already been made for him not to ask for aid to the contras?

A I believe that's the case, yes.

Q Okay. Let me try to go over this with you. In one of the cables, Committee number C-8947, it's a cable dated 10 April '84, and if I can read this correctly it's to IMMEDIATE [redacted] and it says: Subject, [redacted] Discussions with [redacted] DDCI advises that there are some second thoughts around town as to wisdom of involving [redacted] in already complicated Central American equation. Request you hold off on this aspect of your discussions until we can get definitive word to you.

Let me show you that cable. Can you tell me who this cable is being sent to?

A It's being sent to [redacted] and is being sent out by [redacted] who at the time was [redacted]

Q The cryptonym [redacted] that refers to a [redacted]

A Yes, [redacted]

Q What this message says basically is don't do anything to pursue the Central American issue until we can give you a definitive answer on what to do; is that right?

A Right.

Q The next cable in sequence, C-8948, is to headquarters from [redacted] and it notes that [redacted] arrives 13 April [redacted] Have I read that right? Is that describing the arrival of Dewey Clarridge in [redacted]

A That is correct.

Q And at the time of his arrival the decision on what to do on aid to the contras is still unresolved; isn't that right?

A That's right.

Q In fact, if the decision had been resolved [redacted] wouldn't you have sent somebody other than [redacted]

[redacted]

A Right. When he went out, though, he had instructions not to raise it. That was an issue that we weren't going to put forth with [redacted]

Q Well, if you weren't going to raise that, wouldn't you have sent someone other than [redacted]

[redacted].

A I can't answer why he went. There may have been another reason that I don't know.

Q Well, let me then refer to the next cable I have in sequence. It's a cable C-8949, dated 1 May 84, to headquarters from [redacted] It says: "Any word to pass [redacted] on recent reference discussions. Have been able by avoidance of personal meting to delay response to date, but local circumstances now dictate need to see [redacted] soonest. If no decision yet reached, will temporize accordingly."

Do you know what he is referring to?

A No. I can't really answer that.

Q Isn't he referring to the decision on whether to ask for aid for the contra program?

A That would seem logical, in light of what went on before.

Q So isn't it the case that as of 1 May the decision on whether to solicit aid for the contra program had not yet been made?

A That's possible, yes.

Q And finally let me show you the cable C-8945. It is a cable from [redacted] to [redacted] [redacted] and isn't it in this cable when the final decision is communicated to [redacted] [redacted] that the -- strike that. Let me try to do it better.

Isn't it in this cable that the final decision is made on whether to solicit aid from [redacted] for the contras?

A Yes. That would be a logical conclusion.

MR. LEON: What's the date on that, Paul?

MR. BARBADORO: It's dated 1 May 84.

BY MR. BARBADORO: (Resuming)

Q But it's your testimony that when Dewey Clarridge went to [redacted] he was under instructions not to raise the possibility of obtaining aid [redacted]

A Yes.

Q Who gave him those instructions?

A Well, I think I was involved in that, [redacted]

Q

A

Q

A

Q

A

Q I want to pursue this issue of third country funding with you a little bit further and I want to show you a memorandum for the record from General Counsel Sporkin, dated June 26, '84, and let's mark that as

# Exhibit DRC-21

MSG FROM: NSJMP --CPUA TO: NSOLN --CPUA 09/17/86 [illegible]
To: NSOLN --CPUA

~~TOP SECRET~~ [redacted] ~~-- SECRET --~~ UNCLASSIFIED

Exhibit DRC-21

N 12601

*** Reply to note of 09/17/86 12:59

NOTE FROM: JOHN POINDEXTER
Subject: Iran
Casey called and told me what he wanted to do. I don't think George will be a problem. He was actually enthusiastic about Cave's talking to [redacted]
[redacted]

Iran 09/17/86 12:59:11
MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA
To: NSJMP --CPUA

EXHIBIT
DRC-21

*** Reply to note of 09/10/86 13:15
NOTE FROM: OLIVER NORTH
Subject: Iran
Per your note on the surveillance package I called Casey and told him we need to get on with the parole paperwork in that you had already agreed - and had furthermore just endorsed the surveillance request. He acknowledged yr approval for the plan but said he was concerned about Shultz. He said he

Partially Declassified/Released on 12 AUG 1987
under provisions of E.O. 12356
by J. Reger, National Security Council

PIER: SEP86 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

3605

planned to tell Shultz in general terms that we were talking to another high level Iranian and that we would fill him in after the interview. I protested that experience showed that Shultz would then talk to [redacted] [redacted] and [redacted] could well be the source of the Jack Anderson stuff we have seen periodically. Casey agreed to proceed with the INS parole paperwork for [redacted] and the visa for his escort but noted that he would still talk privately to Shultz about this. We are now underway with getting [redacted] aboard a chartered jet out of [redacted] CIA could not produce an aircraft on such "short notice" so Dick has chartered the a/c thru one of Project Democracy's overseas companies. Why Dick can do something in Spain that the CIA cannot do in two days is beyond me - but he does. How the hell he is ever going to pay for it is also a matter of concern, but Dick is a good soldier and never even frowned about it. You may want to k to Sec Shultz about [redacted] before [illegible] ll prepare a memo r you as soon as we talk to him.

~~TOP SECRET~~ [redacted] UNCLASSIFIED

-1-

Document

Page N12602 of Exhibit DRC-21

Deleted in its Entirety

EXHIBIT DRC-22

Document

Deleted in its
Entirety

**Exhibit DRC-23**

Document

Exhibit DRC-23

Deleted in its Entirety

## EXHIBIT DRC-24

UNCLASSIFIED

~~TOP SECRET~~

600

N 32551

ROUTING

| To | Name and Address | Date | Initials |
|---|---|---|---|
| 1 | Robert C. McFarlane | 9/14 | |
| | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |

| | | | |
|---|---|---|---|
| X | ACTION | | FILE |
| X | APPROVAL | | INFORMATION |
| | COMMENT | | PREPARE REPLY |
| | CONCURRENCE | | RECOMMENDATION |
| | DIRECT REPLY | X | RETURN |
| | DISPATCH | | SIGNATURE |

REMARKS:
O. North (cys 2 & 3)
K. deGraffenreid (cy 4)
J. Radzimski (cy 5)

NSC/ICS CONTROL NO. 400867

COPY NO. 1 OF 5

HANDLE VIA SYSTEM IV CHANNEL ONLY

# NSC INTELLIGENCE DOCUMENT

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3608

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

EXHIBIT
DRC-24

ggn, FBI

~~UNCLASSIFIED~~

UNCLASSIFIED

National Security Council
The White House

System # IV

Package # 400847

N 32552

134

| | SEQUENCE TO | HAS SEEN | DISPOSITIO |
|---|---|---|---|
| Paul Thompson | | | |
| Bob Kimmitt | | | |
| John Poindexter | 1 | J | |
| Tom Shull | | | |
| Wilma Hall | | | |
| Bud McFarlane | 2 | M. | I |
| Bob Kimmitt | 4 | K | |
| NSC Secretariat | 5 | | N |
| Situation Room | | | |
| JP - | 3 | J | |

I = Information [✓ A = Action] R = Retain D = Dispatch N = No further Actio

cc: VP Meese Baker Deaver Other

COMMENTS

Should be seen by:
(Date/Time)

Did you get a chance to talk to Moynihan?

No J

UNCLASSIFIED

UNCLASSIFIED

SYSTEM II
NSC/ICS-400367

NATIONAL SECURITY COUNCIL

September 13, 1984

~~TOP SECRET~~ N 32553 SENSITIVE

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: HPSCI/SSCI Hearings on U.S. Private Citizens Support to the Nicaraguan Resistance Forces

This is in response to your note on the package at Tab I (SYSTEM II 90962). On Tuesday, September 11 [redacted] (CIA), Johnstone (State), and Sanchez (DOD) appeared before the SSCI to respond to their questions on the Santa Clara incident. On Wednesday, September 12, Motley (State), Clarridge (CIA), and Commodore Darby (DOD) appeared before the HSPCI on the same issue.

Today the SSCI conducted its world-wide covert action review. Clarridge appeared for the Latin America region. There were no significant questions about the two Americans killed on the September 1 air raid at Santa Clara. There were, however, several detailed questions/comments about other activities in the region. The summary below reflects input received from each of the Administration participants.

Summary

- Congressman McCurdy questioned Motley in detail regarding "what the NSPG had decided to do about the [redacted]?" Motley responded that NSPG meetings were not the purview of the Committee, but that the Committee should be aware, since they receive the intelligence, that we were watching the [redacted] and that we are concerned about them.

- Congressman Fowler, in questioning Clarridge, delivered a lengthy exposition on how the Administration was using the delay in deploying [redacted] as a means of embarrassing the Democrats. He noted that there was no reason for delay and that there "had better not be" an offensive just because the Administration failed to act. Clarridge responded that we needed more time to ensure that [redacted]

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

SENSITIVE

Partially Declassified/Released on 17 NOV 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED
2 N 32554

~~TOP SECRET~~ SENSITIVE

-- Motley was queried by several members who asked if it was true that the [redacted]s were indeed providing financial support to the FDN. Clarridge received similar questions abou[redacted]. Both responded that it was obvious that the FDN did indeed have significant financial support; that this further limited our control; and that we did not know where the support was coming from. Clarridge specifically replied tha[redacted]could not afford such largess, that [redacted] and that the support was likely coming from individuals and countries world-wide who feel strongly about the cause of anti-communism. Motley noted that [redacted] was unlikely to provide such support [redacted]

- [redacted] received similar questions abou[redacted]and [redacted] from the SSCI. He replied tha[redacted] have provided some assistance to ARDE and that [redacted] could be assisting the FDN.

NOTE: This is a potentially damaging line of question in regard to both [redacted] and [redacted] have "loaned" 7.62mm machine gun ammunition to the FDN. [redacted] is currently servicing ARDE aircraft at [redacted] In return, Calero is providing approximately 1 million 30cal. M-1 carbine rounds to [redacted] [redacted] This ammunition is excess to the FDN from the M-1 stocks provided for the Misura Indian units. Calero is shipping 500 thousand rounds of the same ammunition to [redacted]

-- At today's world-wide covert action review [redacted]

-- Senator Leahy, at the same hearing, asked Clarridge [redacted]." Clarridge responded that [redacted] Leahy demanded that "you had better tell us abcut [redacted] or you will be in trouble with both sides of the aisle." Clarridge replied that the Committees would be briefed befor[redacted] [redacted] Leahy indicated that this would be satisfactory.

UNCLASSIFIED

~~TOP SECRET~~ UNCLASSIFIED

~~TOP SECRET~~ 3 N 32555 SENSITIVE

RECOMMENDATION

That you retain this summary with the document at Tab I in the event you receive further queries.

Approve ✓ Disapprove ____

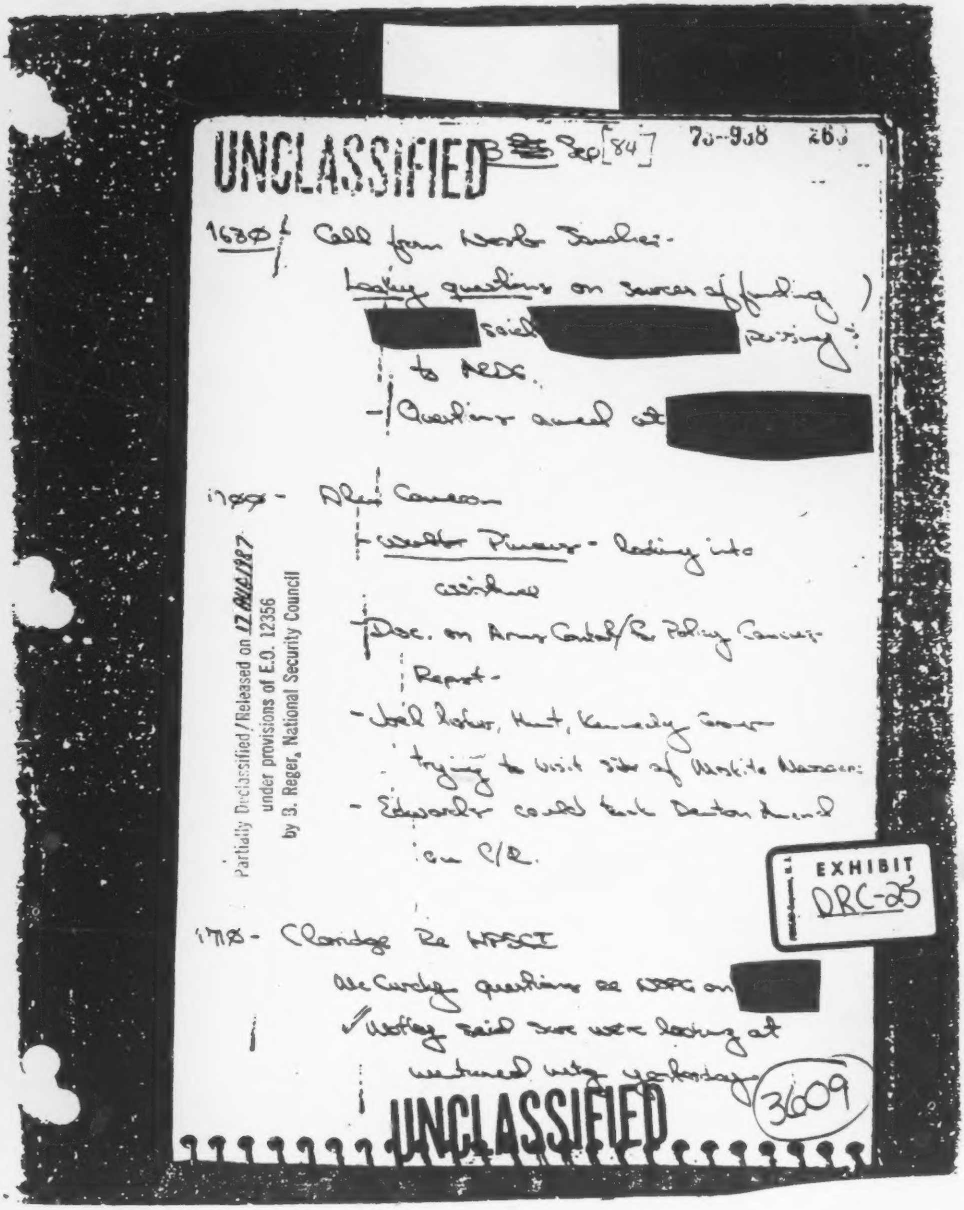
Attachment
Tab I - North Memo to McFarlane (90962) of Sep 10, 1984

UNCLASSIFIED

~~TOP SECRET~~ ~~TOP SECRET~~ SENSITIVE

N 32556

## EXHIBIT DRC-25



UNCLASSIFIED 3 ~~Sep~~ Sep [84] 73-938 263

1630 / Call from Walter Sanchez -

Asking questions on sources of funding )

[redacted] said [redacted] pertaining to ARDE.

- Questions aimed at [redacted]

1700 - Alex Cameron

- Walter Pincus - looking into airstrike

- Doc. on Arms Control/For Policy Caucus - Report -

- Joel Lisker, Hunt, Kennedy Group trying to visit site of Airstrike Managua:

- Edwards could tack Denton Amend on C/R.

1710 - Clarridge Re HPSCI

McCurdy questions re NSPG on [redacted]

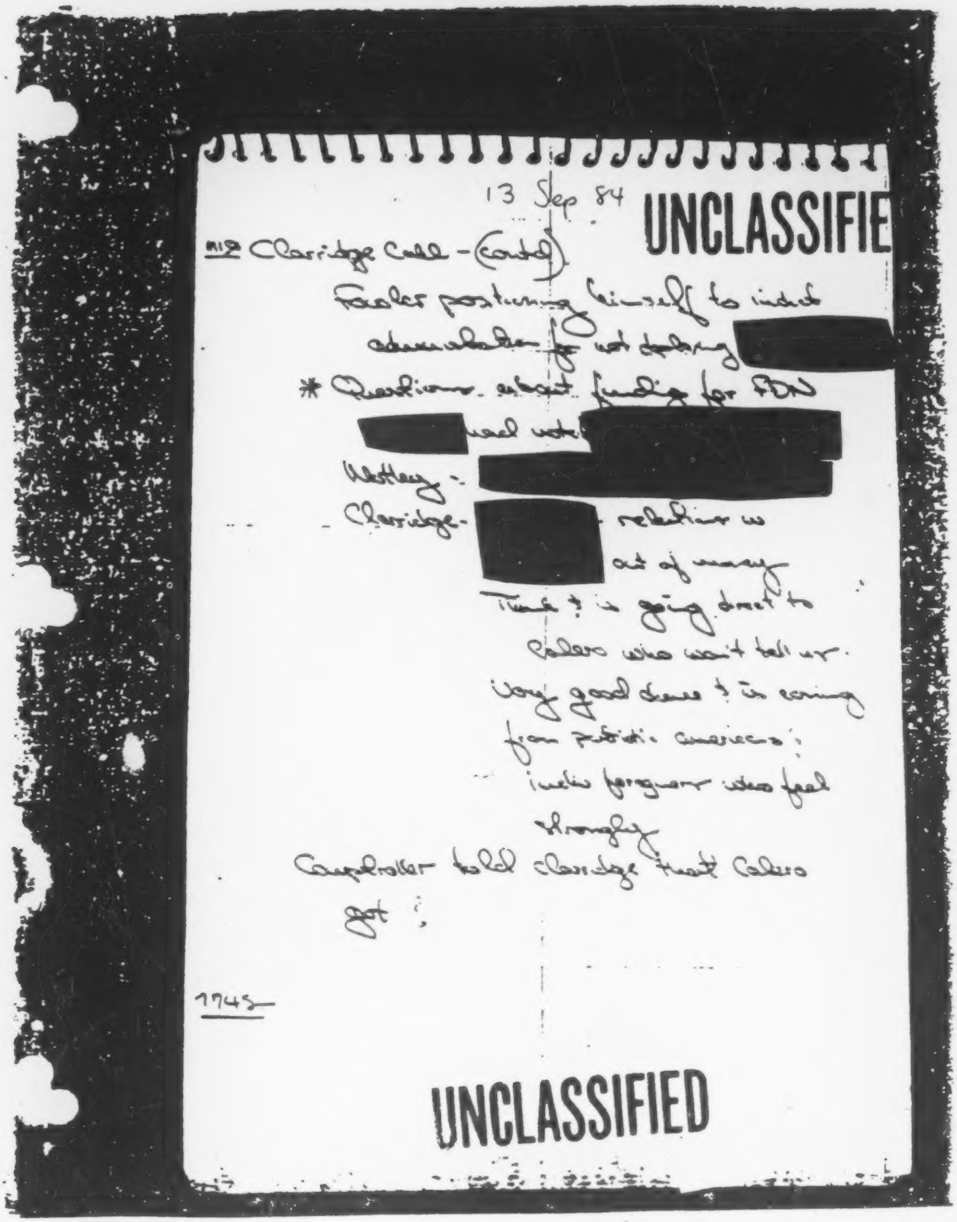
✓ Wolfe said they were looking at weekend mtg yesterday

UNCLASSIFIED

3609

EXHIBIT DRC-25

Partially Declassified/Released on 17 AUG 1987 under provisions of E.O. 12356 by B. Reger, National Security Council



13 Sep 84

UNCLASSIFIE

1112 Clarridge Call - (cont'd)

Fowler posturing himself to indict administration for not helping [redacted]

* Questions about funding for FDN

[redacted] head into [redacted]

Whitley -: [redacted]

- Clarridge - [redacted] relation w

out of money

Think ? is going direct to Calero who won't tell us.

Very good chance ? is coming from patriotic americans: inclu ferguson who feel strongly

Comptroller told Clarridge that Calero got ?

1745

UNCLASSIFIED

**EXHIBIT DRC-26**

UNCLASSIFIED
~~SECRET~~

N 46556
14259

...ANDUM

OFFICE OF THE VICE PRESIDENT
WASHINGTON

September 18, 1984

EXHIBIT
DRC # 26

MEMORANDUM FOR THE VICE PRESIDENT

THROUGH: Admiral Murphy

FROM: Don Gregg Dg

SUBJECT: Funding for the Contras

In response to your question, Dewey Clarridge supplied the following information:

- U.S. funds to the Contras have been cut off since June of this year (official cutoff was June 1 -- final funds trickled out about the 15th).

- Since then, the Contras have been getting funds from other sources, probably private, not governmental.

- A very rough estimate would be that they have received about $1.5 million. This is based on what we know of the Contra purchases of gasoline, ammunition, etc.

- The Contras are doing well inside Nicaragua, conducting effective small unit actions and capturing enough ammunition to supply [redacted] of their needs.

- Local support of the Contras is growing inside Nicaragua. The Sandinistas are using artillery against the Contras, but it is ineffective.

- If a Continuing Resolution were passed by Congress, it would contain $2M per month for aid to the Contras. Dewey does not expect this to happen. He believes that any CR that is passed will specifically probhibit funds to the Contras.

- In his view, the Contras are doing what they were supposed to do and there is not as much need for U.S. involvement.

Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3610

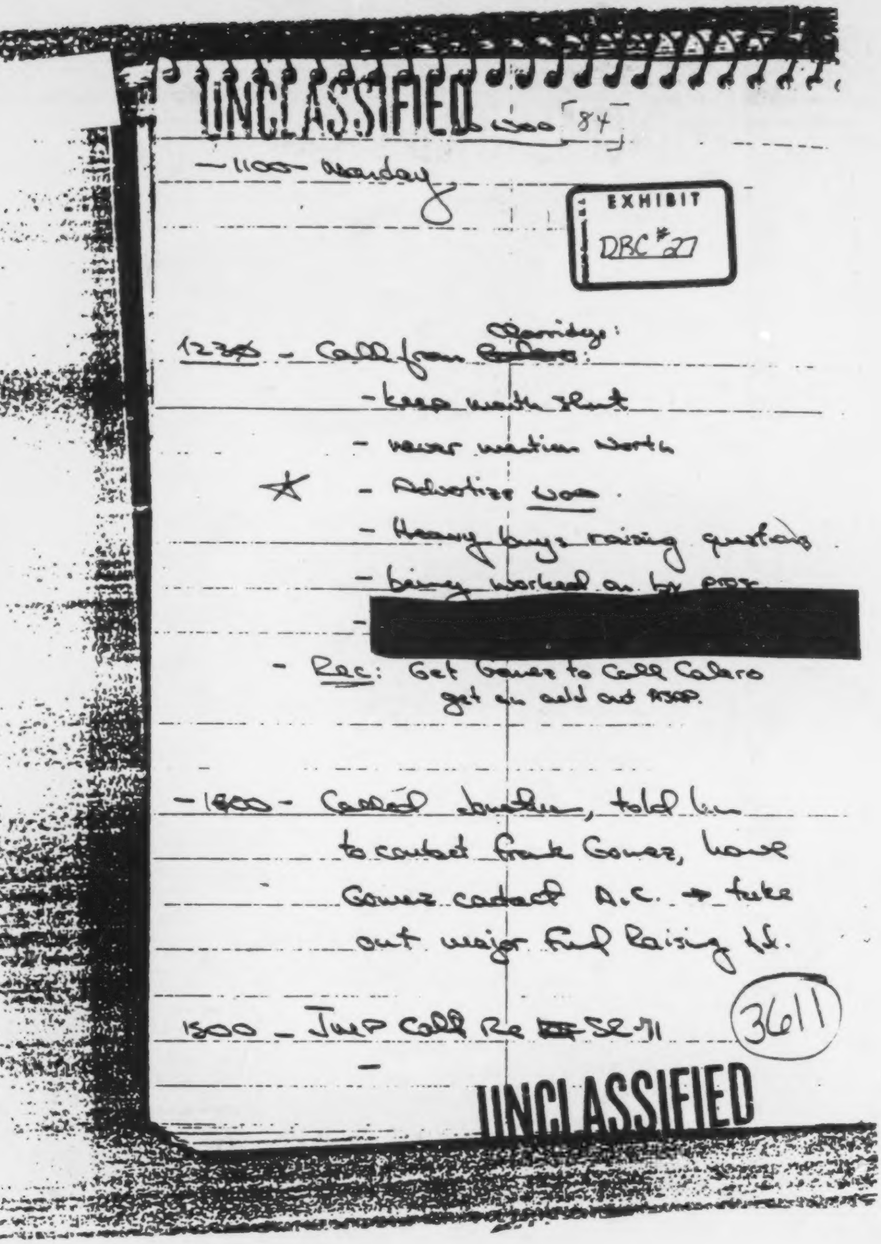
~~SECRET~~
DECL: OADR
UNCLASSIFIED

- They have put pressure on the Sandinistas.
- The Sandinistas are talking with us.
- The Sandinistas are planning an election.
- None of these things would have happened if the Contras did not exist.

Dewey said that you may use the above in response to questions about the Contras, although he would prefer that no specific figure be mentioned regarding private support to the Contra groups.

cc: Philip Hughes

## EXHIBIT DRC-27



UNCLASSIFIED Nov [84]

—1100— Monday

EXHIBIT
DRC #27

12:30 - Call from ~~Calero~~ Clarridge:
- keep mouth shut
- never mention North
- ★ - Advertise UNO.
- Heavy boys raising questions
- being worked on by [illegible]
- [redacted]
- Rec: Get Gomez to call Calero get an add out ASAP.

-1400- Called Jonathan, told him to contact Frank Gomez, have Gomez contact A.C. + take out major fund raising ad.

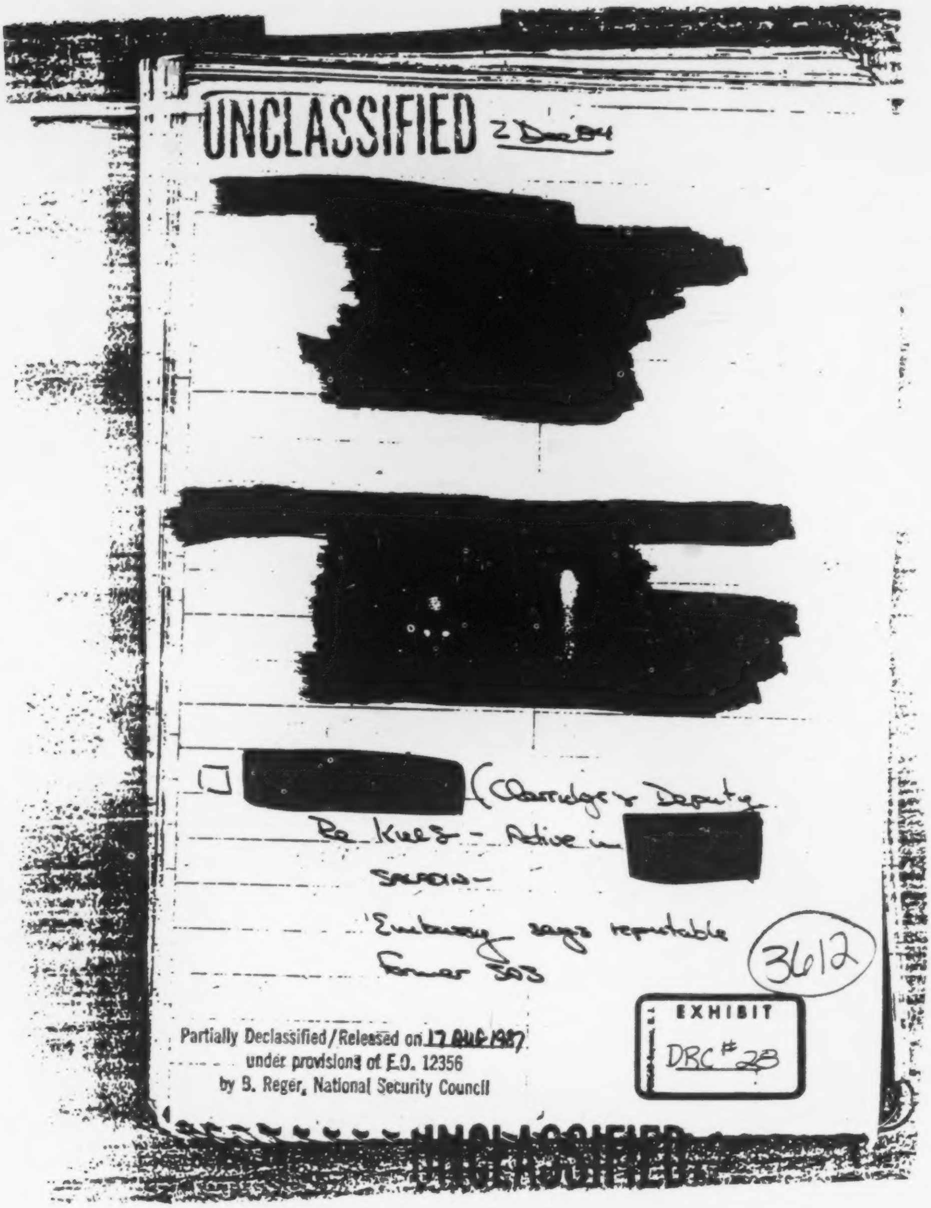
1500 _ JMP call Re ~~[illegible]~~ SR-71 (3611)

—

UNCLASSIFIED

Partially Declassified/Released on 12 Aug 1987 under provisions of E.O. 12356 by B. Reger, National Security Council

**EXHIBIT DRC-28**



UNCLASSIFIED 2 Dec 84

[redacted]

[redacted]

☐ [redacted] (Clarridge's Deputy

Re KMS - Active in [redacted]

SALADIN -

'Embassy says reputable

former SAS

3612

EXHIBIT

DRC # 28

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

## EXHIBIT DRC-29

UNCLASSIFIED

~~TOP SECRET~~

~~TOP SECRET~~

N 16865

NSC/ICS CONTROL NO. 401214

COPY NO. 1 OF 5

HANDLE VIA SYSTEM IV CHANNEL ONLY

ROUTING

| No. | Name and Address | Date | Initials |
|---|---|---|---|
| 1 | Robert McFarlane | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |

| | | |
|---|---|---|
| X | ACTION | FILE |
| | APPROVAL | INFORMATION |
| | COMMENT | PREPARE REPLY |
| | CONCURRENCE | RECOMMENDATION |
| | DIRECT REPLY | RETURN |
| | DISPATCH | SIGNATURE |

REMARKS:

cc: Oliver North (#2 and 3)
Ken deGraffenreid (#4)
Jim Radzimski (#5)

# NSC INTELLIGENCE DOCUMENT

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

3613

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

~~TOP SECRET~~

EXHIBIT
DRC #29

UNCLASSIFIED ~~TOP SECRET~~ 543

National Security Council
The White House

wml

System # IV
Package # 401214

UNCLASSIFIED

1:13

N 16886

| | SEQUENCE TO | HAS SEEN | DISPOSITION |
|---|---|---|---|
| Paul Thompson | 1 | PT | |
| Bob Kimmitt | 2 | K | |
| John Poindexter | 3 | C | |
| Tom Shull | | / | |
| Wilma Hall | 4 | | |
| Bud McFarlane | 5 | M | A |
| Bob Kimmitt | | | |
| NSC Secretariat Jim | 7 | | R |
| Situation Room | | | |
| | | J | |

[redacted]

| | | | | |
|---|---|---|---|---|
| I = Information | [✓ A = Action] | R = Retain | D = Dispatch | N = No further Action |

cc: VP Meese Baker Deaver Other ______

COMMENTS

Should be seen by: ______
(Date/Time)

UNCLASSIFIED

UNCLASSIFIED

MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-401214

December 4, 1984

~~TOP SECRET~~

ACTION

N 16887

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Assistance for the Nicaraguan Resistance

In accord with prior understanding, I met on Wednesday, November 28, with [redacted] Defense Attache, Embassy of the [redacted] Gaston Sigur arranged the luncheon meeting at the Cosmos Club and was present throughout.

As agreed, I explained to [redacted] our purpose in the meeting was to clarify questions which had been raised in Canada regarding an arms transaction destined [redacted] I explained that an intermediary had advised that [redacted] apparently made a decision not to proceed with the Canadian-originated arms sale. This offer of purchase included 10 SA-7 missile launchers [redacted] 30 missiles, 1 training unit, and 10 tracking units.

[redacted] professed to be unaware of the Canadian transaction. I advised him that the purchase was not really intended for use by [redacted] but rather for the Nicaraguan Resistance Forces. Further, the intermediary had indicated that the problem appeared to be the number [redacted] military officers who are graduates of the [redacted] As a consequence of the apparent reluctance to proceed with the sale showing [redacted] end user certificate, the Canadian arms dealer is preparing to re-initiate discussions for a similar delivery [redacted] was advised that the FDN would prefer to have the delivery as soon as possible, since the Soviet HIND-D helicopters were being assembled as we spoke.

[redacted] was further advised that Adolfo Calero, the Head of the FDN, was willing to commit to a recognition [redacted] once the Resistance Forces had succeeded. [redacted] indicated that he understood the message and would confer with the [redacted] He observed, for the record, that [redacted] refused to become involved, in any way, in the internal affairs of another country. I indicated that we fully appreciated this position and noted that it was too bad that the Soviets, Bulgarians, and East Germans involved in Nicaragua did not feel the same way.

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

~~TOP SECRET~~
Declassify: OADR

~~TOP SECRET~~

UNCLASSIFIED

UNCLASSIFIED

~~TOP SECRET~~

Later that afternoon, MGEN Jack Singlaub (U.S. Army, Retired) visited to advise of two meetings he had held early in the day regarding support for the Resistance. Singlaub passed on the following points:

N 16333

Meeting with [redacted]

-- The FDN is in urgent need of anti-aircraft weapons and other crew-served weapons ammunition (particularly 60 and 81mm mortar rounds). Units in the field are also in need of large quantities of boots and clothing since the number of ralliers has exceeded expectations by 2,000.

-- The Resistance Forces are also in urgent need of expertise in maritime operations.

-- The USG is unaware of the Singlaub mission and he is making this request based on his long friendship [redacted]. Because of the law restricting USG involvement, no USG official can solicit on behalf the Resistance Forces.

-- If [redacted] like to help, Singlaub can arrange a meeting with Adolfo Calero. If it is necessary for a USG official to verify Calero's bona fides, this can be arranged.

Meeting with [redacted]

-- By agreement with Calero, Singlaub advised [redacted] since [redacted] had turned down the earlier FDN request for assistance [redacted] the Resistance movement had approached [redacted].

-- The Resistance still is in need of financial support, munitions, and training assistance.

-- [redacted] this was a "considerably different situation" than that which he had been aware of earlier. While not committing to support, he noted to Singlaub that this new information might make a difference [redacted]

[redacted]

~~TOP SECRET~~

UNCLASSIFIED

UNCLASSIFIED

~~TOP SECRET~~

[redacted]

16889

This weekend, at the request of Sec. John Lehman, I met with Mr. David Walker, a former British SAS officer who now heads two companies (KMS and SALADIN) which provide professional security services to foreign governments. Walker had been approached several months ago, prior to initiating the current financial arrangement for the FDN. In addition to the security services provided by KMS, this offshore (Jersey Islands) company also has professional military "trainers" available. Walker suggested that he would be interested in establishing an arrangement with the FDN for certain special operations expertise aimed particularly at destroying HIND helicopters. Walker quite accurately points out that the helicopters are more easily destroyed on the ground than in the air. [redacted]

Unless otherwise directed, Walker will be introduced to Calero and efforts will be made to defray the cost of Walker's operations from other than Calero's limited assets.

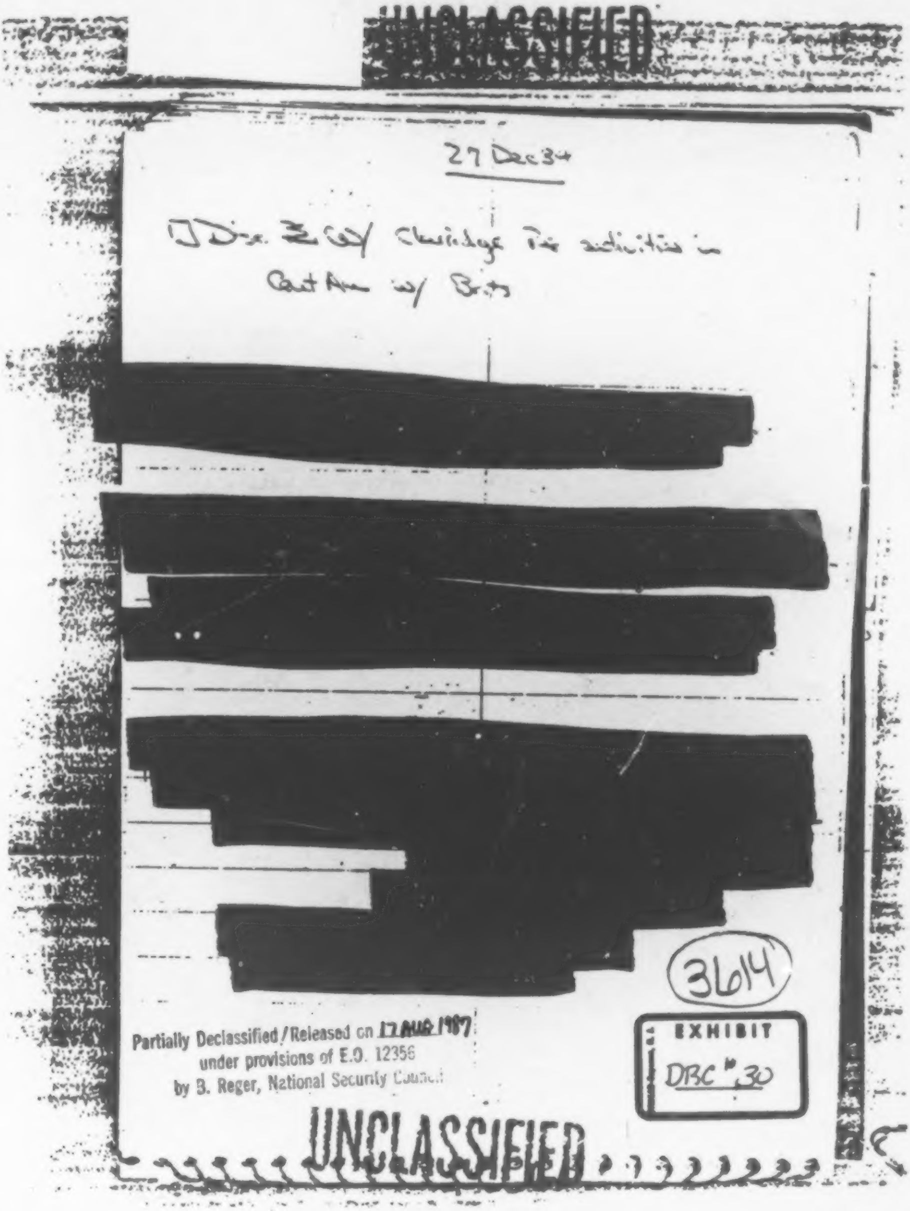
[redacted]

[redacted]

~~TOP SECRET~~

UNCLASSIFIED

## EXHIBIT DRC-30



UNCLASSIFIED

27 Dec 84

☐ Disc. w/ Clarridge re activities in Cent Am w/ Brits

[redacted]

[redacted]

[redacted]

[redacted]

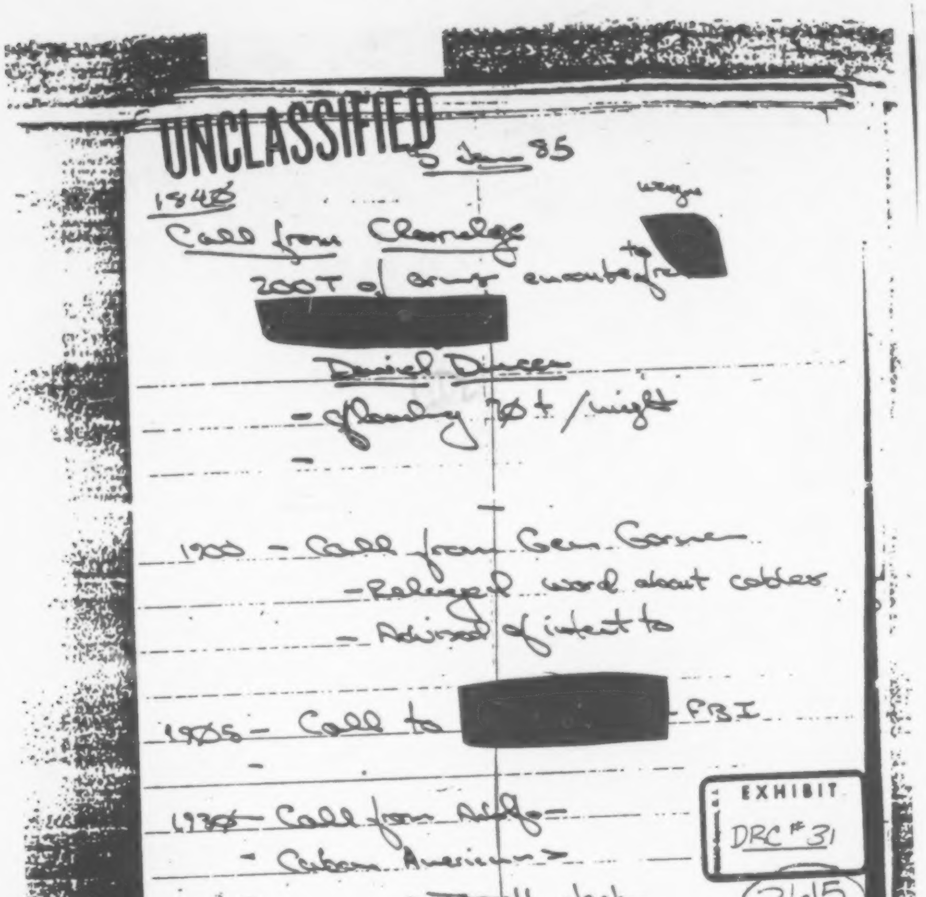
3614

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
DRC #30

UNCLASSIFIED

EXHIBIT DRC-31



UNCLASSIFIED

5 Jan 85

1845

Call from Clarridge

200T of arms enroute to [redacted] wings

[redacted]

Daniel Dwyer

- flying 70+/night

-

1900 - Call from Gen Gorman

- Relayed word about calls

- Advised of intent to

1905 - Call to [redacted] - FBI

-

1930 - Call from Adolfo -

- Cuban American ->

- -> Terrell, Jack

- was w/ CIA - 6 years

- worked out of Africa

- Says he knows Denton

- joined cause after Sept.

- Process - has airplane 3 pax
Frank & Aguado - Cuban - detained by [illegible] in Tegu.

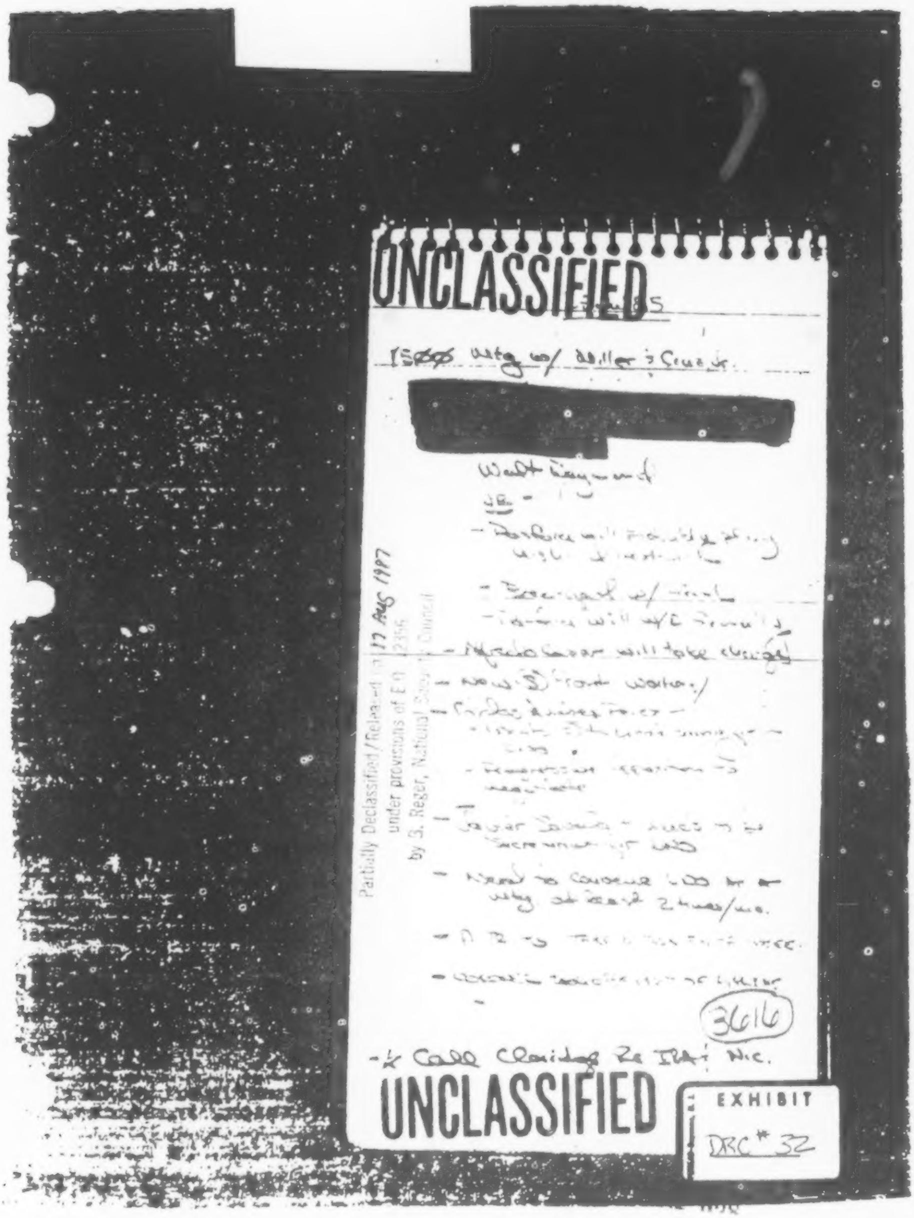
EXHIBIT
DRC # 31

3615

...ed/Released on 17 AUG 1987
...rovisions of E.O. 12356
...r, National Security Council

UNCLASSIFIED

## EXHIBIT DRC–32



UNCLASSIFIED

15ØØ Mtg w/ Miller & Cruz Jr.

[redacted]

Walt Raymond

UB – [illegible]

– [illegible] will probably [illegible]

– [illegible] w/ [illegible]

– [illegible] will [illegible]

– [illegible] will take charge

– New [illegible] front [illegible]

– [illegible] —

- [illegible]
- [illegible]

– [illegible]

– Need to [illegible] mtg at least 2 times/wk.

– [illegible]

– [illegible]

3616

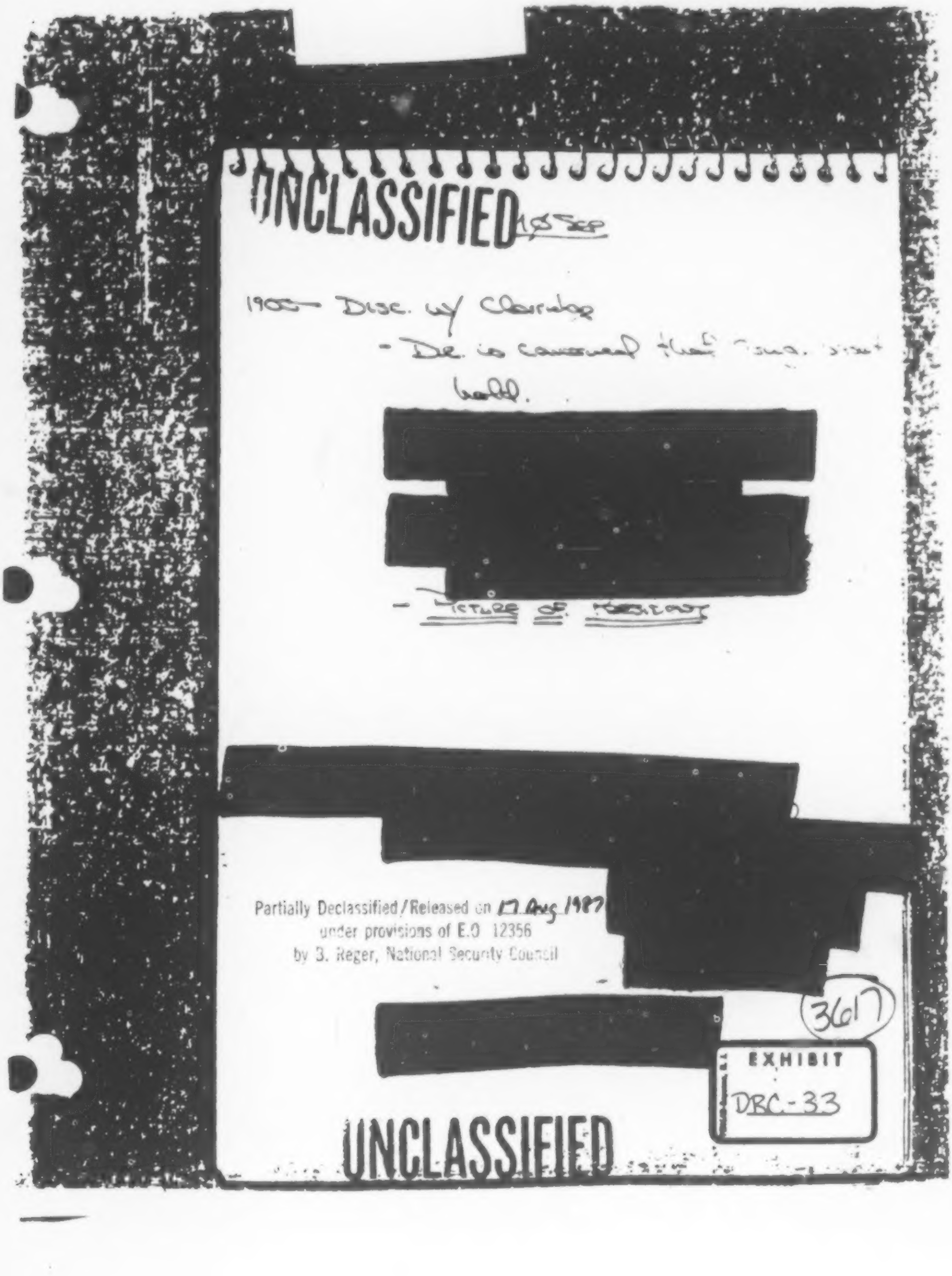
–✳ Call Clarridge re IBA & Nic.

UNCLASSIFIED

Partially Declassified/Released on 17 AUG 1987
under provisions of E.O. 12356
by S. Reger, National Security Council

EXHIBIT
DRC # 32

## Exhibit DRC-33



UNCLASSIFIED

10 Sep

1900 — Disc. w/ Clarridge

- DR. is concerned that Cong. won't hold.

[redacted]

- PICTURE OF PRESIDENT

[redacted]

Partially Declassified/Released on 17 Aug 1987
under provisions of E.O 12356
by B. Reger, National Security Council

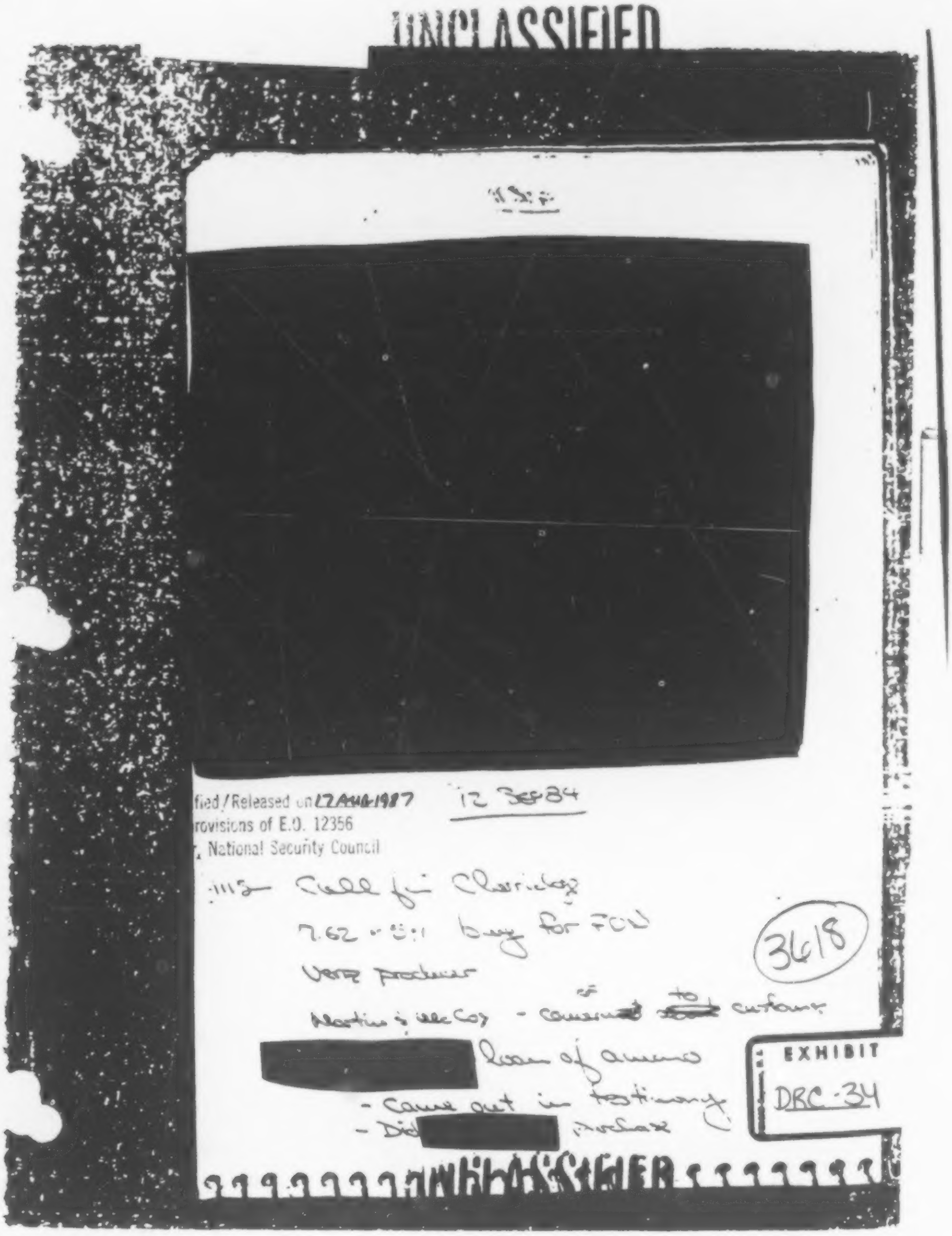
[redacted]

3617

EXHIBIT
DRC-33

UNCLASSIFIED

## EXHIBIT DRC-34



UNCLASSIFIED

[redacted]

fied/Released on 12 AUG 1987
rovisions of E.O. 12356
r, National Security Council

12 Sep 84

1112 - Call fr Clarridge
7.62 mm buy for FDN
Very productive
Martin & McCoy - concerned of ~~[illegible]~~ to customer
[redacted] loan of ammo
- Came out in testimony
- Did [redacted] purchase

3618

EXHIBIT
DRC-34

UNCLASSIFIED

UNCLASSIFIED

12 Sep 84

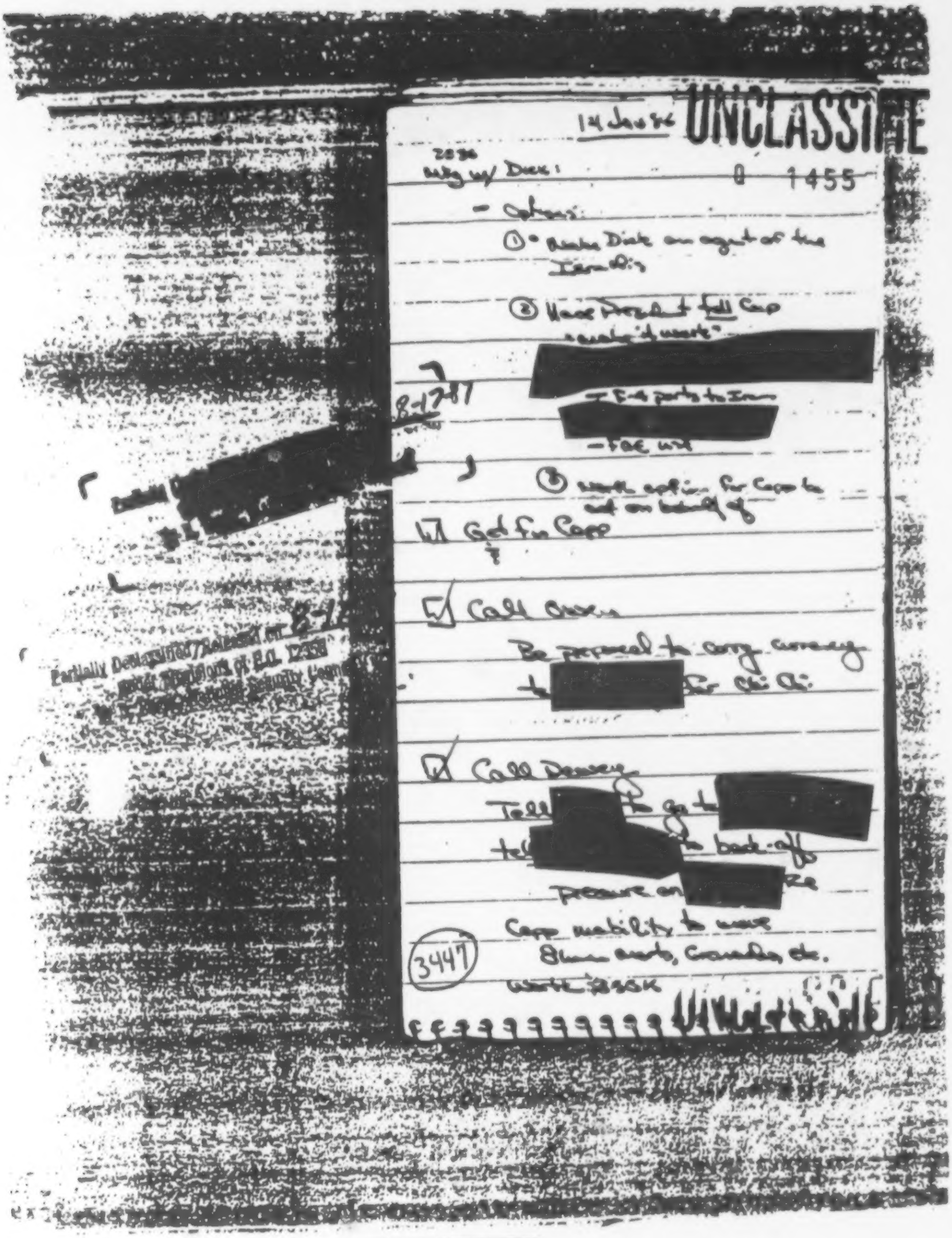
- [redacted] help to ARDE
- Probably will become public -

[redacted]

1445 - Call from Jon Miller
- Sandinistas have accepted all Coordinadora conditions
- Cruz' conditions have been rejected
- [redacted] called Arturo Cruz
  - in [redacted] for Coordinadora mtg
  crucial
  - all demands were been met
  - Freedom of Press
  Speech } two points
  Assembly -
- Arturo has promised that he won't register unless

1530 -

UNCLASSIFIED



UNCLASSIFIED

0 1455

14 Jan 86

2030
Mtg w/ Dick:

- Options:
  - ① Make Dick an agent of the Israelis
  - ② Have President tell Cap "make it work"

[redacted]

- F-4 parts to Iran

[redacted]

- FOE w/

③ Worst option for Copp to act on behalf of

☑ Get fix for Copp

☑ Call Owen

Be prepared to carry currency to [redacted] for Chi Chi.

☒ Call Dewey

Tell [redacted] to go to [redacted]
tell [redacted] to back-off
pressure on [redacted] re
Copp inability to move
[illegible], Grenades, etc.
Worth $35K

(3447)

8-17-87

Partially D[redacted] 8-1

Partially Declassified/Released on 8-1
under provisions of E.O. 12356
by National Security Coun

UNCLASSIFIED

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

Non-Log

N 3903

August 5, 1986

~~TOP SECRET~~

MEMORANDUM FOR THE RECORD

SUBJECT: Operations Sub-Group (OSG) Terrorist Incident Working Group (TIWG) Meeting

The OSG met on Tuesday, August 5, from 1:30-2:45 p.m. with LTCOL Ollie North, Ambassador Bob Oakley, Richard Armitage, LTGEN John Moellering, Charlie Allen, Dewey Clarridge, Buck Revell, and Craig Coy attending. The following topics were discussed:

[redacted]

Hostages: There was a lively discussion on the next steps to take on the remaining hostages. The discussion touched on the possibility of Kuwaiti releasing the Da'wa seventeen and the conditions that would lead to that action [redacted]

Revell raised the concern that we may be acting inconsistently with the President's policy of no negotiation and that it would not be in our best interest.

Armitage questioned what our policy should be and whether we should bargain for the hostages.

Moellering asked whether the President felt pressure to get the hostages. North responded that he has a personal sense of obligation and that the President had instructed North to get them out.

[redacted]

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

Partially Declassified/Released on 8-17-87
under provisions of E.O. 12356
by B. Reger, National Security Council

3448

[illegible]

[illegible]

Page N3904 denied in its entirety:

UNCLASSIFIED

SECRET UNCLASSIFIED C 09505

wang 1661A
12/9/85

**NOTE** [redacted] Charlie

**FROM:** Joann[redacted]

**SUBJECT:** [redacted] Ledeen Phone Call

1. Micheal Ledeen called to speak to you this morning, with what he termed a "Flash" for you "to pass to Dewey". I explained you were out of town until Tues. night, but I was your chief of staff - could I help? He hesitated for some long moments, then said no, he'd get the message to Dewey another way.

2. Dewey is on TDY all week, so [redacted] surprisingly Ledeen called back about an hour later ("This [redacted] ike, again"), wanting me to pass a message to Dewey [redacted] message was as follows:

> [redacted] is flying fr[redacted]eva to Frankfurt today at 1945 (local time) o[redacted] He will be having dinner in Frankfur[redacted] at least two other [redacted]en who arrived there yester[redacted] One of these guys is [redacted] native country--[redacted] by name. I don't know who the other one is. There may be more at the dinner, but there will be at least these two." [redacted]

3. I went down to EUR and talked to the Dep. Chief, who said Dewey was handling everything involved with this with the [redacted]. So I called [redacted] DESK OFFICER.
OFFICER

4. It took [redacted] a while to get back to me, but when he did, he seemed a bit confused. He did not know wh[redacted] is but said he would find out and handle all this with [redacted] We agreed that we/he would have to move fast, because by the[redacted] we were down to a window of only a couple of hours. I'll ta[redacted] to [redacted] tomorrow to see what--if anything--occurred.

Partially [redacted] on 8-17-87
[redacted]
[redacted] Council

Executive Registry [redacted]

SECRET UNCLASSIFIED

228

C 7156

UNCLASSIFIED

SECRET

[redacted]

5 August 1976

[redacted]

MEMORANDUM FOR THE RECORD

SUBJECT: Mr. Albert Hakim, Iranian National and Import/Exporter Dealing Primarily in Security Systems and Technology of Interest to Military Establishments and Intelligence Services

1. Background: In the period May to August 1976, [redacted] had collected numerous references to Mr. Albert Hakim, born 1936 in Tehran, Iran, which indicated that this gentleman was an influential factor in the export of American open market technology to countries like Iran and Egypt. [redacted] The synthesis of the data which was obtained in the May to August 1976 time frame can be outlined as follows:

8-1782

a. Educational Background: Mr. Hakim is a 1958 graduate with a BSEE degree from California Polytech. Mr. Hakim considers himself a specialist in electronics, particularly insofar as this area of technology relates to the problems of military establishments and intelligence services.

b. Marital Status: Mr. Hakim is married and has two children. The children attend school in Switzerland.

c. Residence: Mr. Hakim resides officially in Gex, France, but he also maintains a residence in Tehran, Iran. In addition, he is a frequent visitor to the home offices of Stanford Technology Corporation, 510 Logue Avenue, Mountain View, California 94040. In addition Mr. Hakim spends a lot of time in Geneva, Switzerland.

d. Commercial Structure: Mr. Hakim is involved in a number of commercial enterprises. In discussions which deal with potential exports from the U.S. to Iran, he represents himself as the President of Multicorp International, Ltd., 130 Soraya Avenue, Tehran, Iran. In

CIN2968

DO .9367 3 1/2

REVIEWED FOR RELEASE
Date 28 APR 1987
HSC, SSC

3450

UNCLASSIFIED

E-2, IMPDET
CL BY [redacted]

229

C 7157

UNCLASSIFIED

SECRET

2.

other conversations he indicates that he is the European representative for the Stanford Technology Corporation with a mailing address of P.O. Box 52, 1211 Geneva, 24 Switzerland.

e. Type of Business: Mr. Hakim has let it be known that he is currently in the process of selling the RDJ-97000 Security System of the Stanford Technology Corporation to Iran. This is an integrated security system which deals with communications surveillance, mobile direction finding and telephone monitoring. [redacted]

2. Assessment: [redacted] Mr. Hakim is quite anxious to play a pivotal role in the Iranian purchase of American technology. As a result, Mr. Hakim is casting about for contacts in the U.S. Government with whom he can find a mutuality of interest concerning Iranian attempts to procure hardware in the U.S. [redacted]

REVIEWED FOR RELEASE
Date 28 APR [illegible]

UNCLASSIFIED

SECRET

230

UNCLASSIFIED

~~SECRET~~

C 7158

3.

[redacted]

4.

REVIEWED FOR RELEASE
Date 28 APR 1997

UNCLASSIFIED

~~SECRET~~

UNCLASSIFIED 231

C 7159

[redacted]

Theodore G. Shackley

Theodore G. Shackley
Associate Deputy Director for Operations

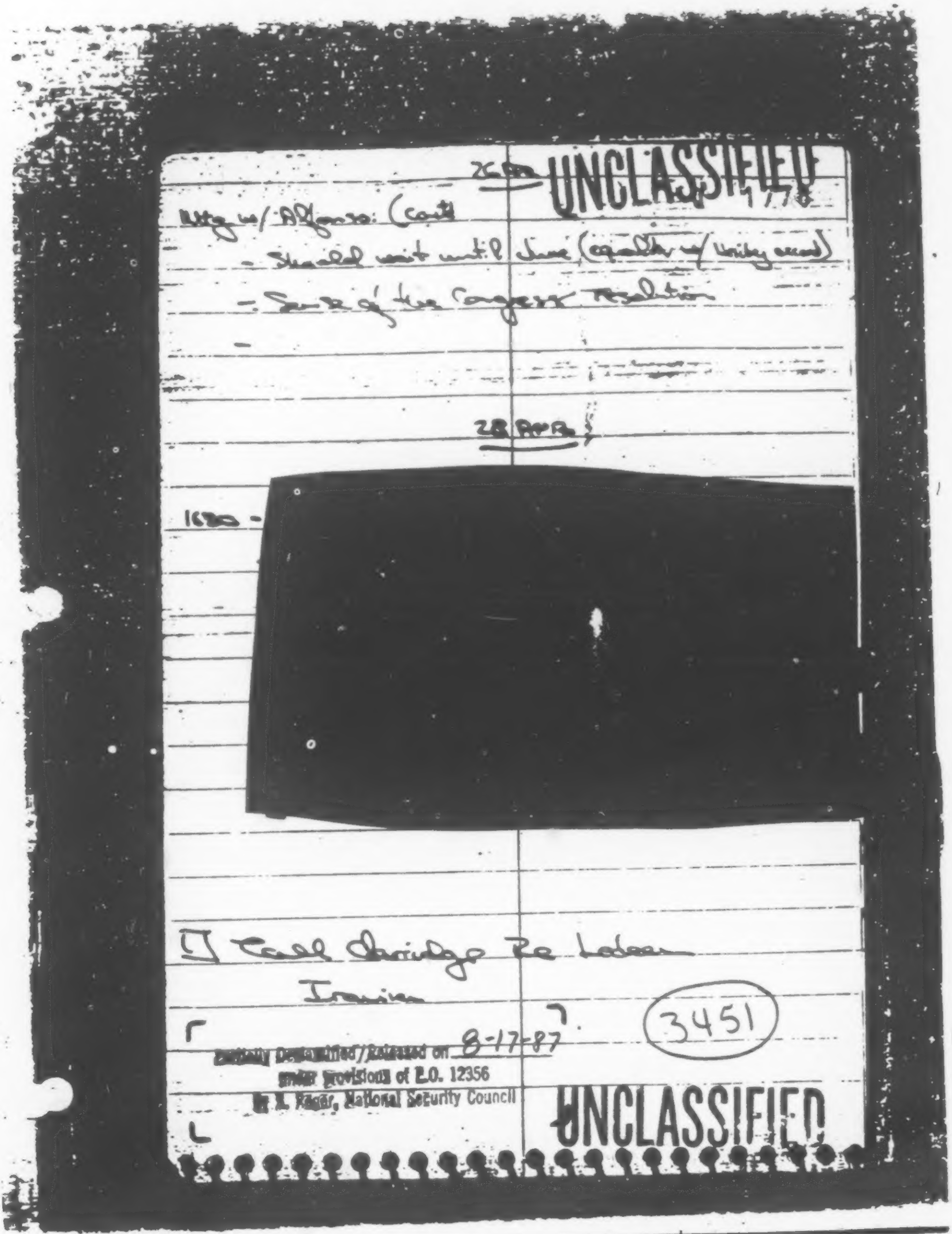
Distribution
1 - [redacted]
1 - DDO
2 - ADDO
1 - [redacted]

A

DO ...364

REVIEWED FOR RELEASE
Date 28 APR 1987
HSC, SSC

UNCLASSIFIED 3 1/2



26 Apr UNCLASSIFIED 1778

Mtg w/ Alfonso: (cont)

- Should wait until June (coupled w/ Unity accord)
- Sense of the Congress Resolution
-

28 Apr

1630 - [redacted]

☐ Call Clarridge Re Ledeen
Iranian

Partially Declassified/Released on 8-17-87
under provisions of E.O. 12356
by B. Reger, National Security Council

3451

UNCLASSIFIED

## Exhibit C/CATF-1

UNCLASSIFIED

Non-Log

November 7, 1984

~~TOP SECRET~~

**EYES ONLY**

**ACTION**

EXHIBIT [redacted]-1

N 6914

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Clarifying Who Said What to Whom

ADM Poindexter indicates that the Director called you expressing concern that I had discussed with a Mr. Myers: Calero, [redacted] MIGs, dollars, etc. The following chronology may be helpful in clarifying the situation.

Monday, November 5 (p.m.). Calero called from Miami, using appropriate one-time-pad, expressing grave concern about delivery of HIND-D helicopters at El Bluff. He was very distressed that the Agency had not forewarned the FDN of the delivery and that by the time he learned of it from his own assets, it was too late to position forces in an effort to interdict/destroy the helicopters. It was obvious that Calero was well aware of the threat the MI-24's pose to his forces in the field. Calero indicated that he was undertaking plans to "take-out" the HINDs and asked that he be given all possible information on the location of the helicopters. I told him I would try to get the information to him.

Later this same evening, I called Bob Vickers (NIO for Latin America) and GEN Paul Gorman and asked them for all we had on the location of the HIND-D's.

Tuesday, November 6 (a.m.). [redacted]

Subsequent to this call, I called Calero, again using appropriate code, and advised that the HINDs had been moved [redacted] and could he provide any HUMINT assets on-scene. At this point Calero suggested that he come to Washington to meet with me f few hours prior to departing on Wednesday (Nov 7) for Teguc I agreed to meet Calero here in Washington later in the afternoon.

3622

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

Partially Declassified/Released on 13 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EYES ONLY UNCLASSIFIED

~~TOP SECRET~~ EYES ONLY

N 6915

Tuesday, November 6 (p.m.). [redacted] the new Central American Task Force (CATF) Chief (who has recently replaced [redacted] [redacted] called to provide additional information [redacted] During the course of his call, he indicated that [redacted] Calero was coming to Washington unexpectedly. I told [redacted] that Calero would be meeting with me and invited him to sit in. We discussed the matter and agreed that [redacted] would meet separately with Calero in view of the Agency's determination that Section 8066 of the CR forebade the Agency from providing any information or assistance to the FDN.

Calero and I met privately mid-afternoon. During the meeting, Calero advised me that he had undertaken a plan to "borrow" a [redacted] T-33, which would be used to strike the location where the HINDs were being assembled. He indicated that the T-33 would be painted with Sandinista Air Force markings and that the aircraft would probably have to land at [redacted] [redacted] on its return leg. Calero asked for detailed information on the location of the HINDs and the Sandinista anti-air defenses. We also discussed longer-range planning for a Calero-Cruz coalition and the requirements for military cooperation with the MISURA in the seizure of Puerto Cabezas.

The meeting with Calero was terminated by the 5:00 p.m. CPPG and Calero returned to Miami on a 6:30 p.m. flight. After the CPPG, I again called [redacted] and asked for any further updates on the HINDs and new info on the MIG's. [redacted] indicated that he was unable to meet with Calero on this trip due to the short lead time in notice of his arrival, [redacted] then asked if I was aware of a tasking to the NIO for an assessment of the Resistance capabilities. I told him that I was and that this was a fall out of the CPPG. I noted concern that State was of the opinion that the Resistance had become largely ineffective since our funding had run out in May 1984. [redacted] shared my assessment that quite the opposite was true and that the Resistance obviously had considerable outside support. I asked [redacted] if he was aware of the source of the Resistance funding. He told me no, that CIA had been trying to determine this, but that it was obviously substantial. I told [redacted] that it was important that the SNIE reflect the fact that there was substantial outside support which had continued for some months and showed no signs of abating. [redacted] agreed that this was the case. I asked him if the dollar amounts could be quantified. [redacted] responded that they were spending at least $1 million per month. I told [redacted] that the SNIE should include this estimate.

~~TOP SECRET~~ 863 567 EYES ONLY

~~515~~ UNCLASSIFIED EYES ON

EYES ONLY ~~TOP SECRET~~ UNCLASSIFIED

~~TOP SECRET~~

EYES ONLY

N 6916

During this discussion, I apprised [redacted] of Calero's plan to "borrow" a [redacted] T-33 for an attack on the HINDs. [redacted] agreed with me that this was a high-risk operation, but that there did not seem to be any real alternative if the FDN were to survive. At the conclusion of our discussion, we briefly reviewed the prospects for a liberation government in which Cruz and Calero would share authority. [redacted] and I specifically agreed that our discussion would not be shared.

Wednesday, November 7. GEN Paul Gorman called at 1200 to relay new information on collection efforts for MIGs and the HIND aircraft.

At 1300 Calero called from Tegucigalpa again, using appropriate codes, and requested any available information on the HINDs and anti-air defenses [redacted] He indicated that he had tasked one of his column leaders to insert a man into [redacted] to observe [redacted] Calero advised that he would dispatch his pilot [redacted] to [redacted] as soon as he received intelligence on the HINDs.

At 1330 VADM Moreau confirmed [redacted] requests we had made and the modifications [redacted]

At 1345 [redacted] called to report additional Honduran airspace incursions by Sandinista helicopters in the vicinity of Cerro la mole (southwest of Tegucigalpa). I again noted the need for additional intelligence on the HINDs and that Calero was moving to implement the [redacted] T-33 option.

Thursday, November 8. At 1445 ADM Moreau delivered [redacted] showing anti-aircraft defenses in the vicinity of Sandino [redacted]

At no time did I discuss with [redacted] financial arrangements for the FDN. At no time did I indicate that Calero was attempting to attack the MIGs. I specifically told [redacted] that Calero was attempting to collect information on the MIGs [redacted] and would pass this information to a CIA agent [redacted] if it was available.

RECOMMENDATION

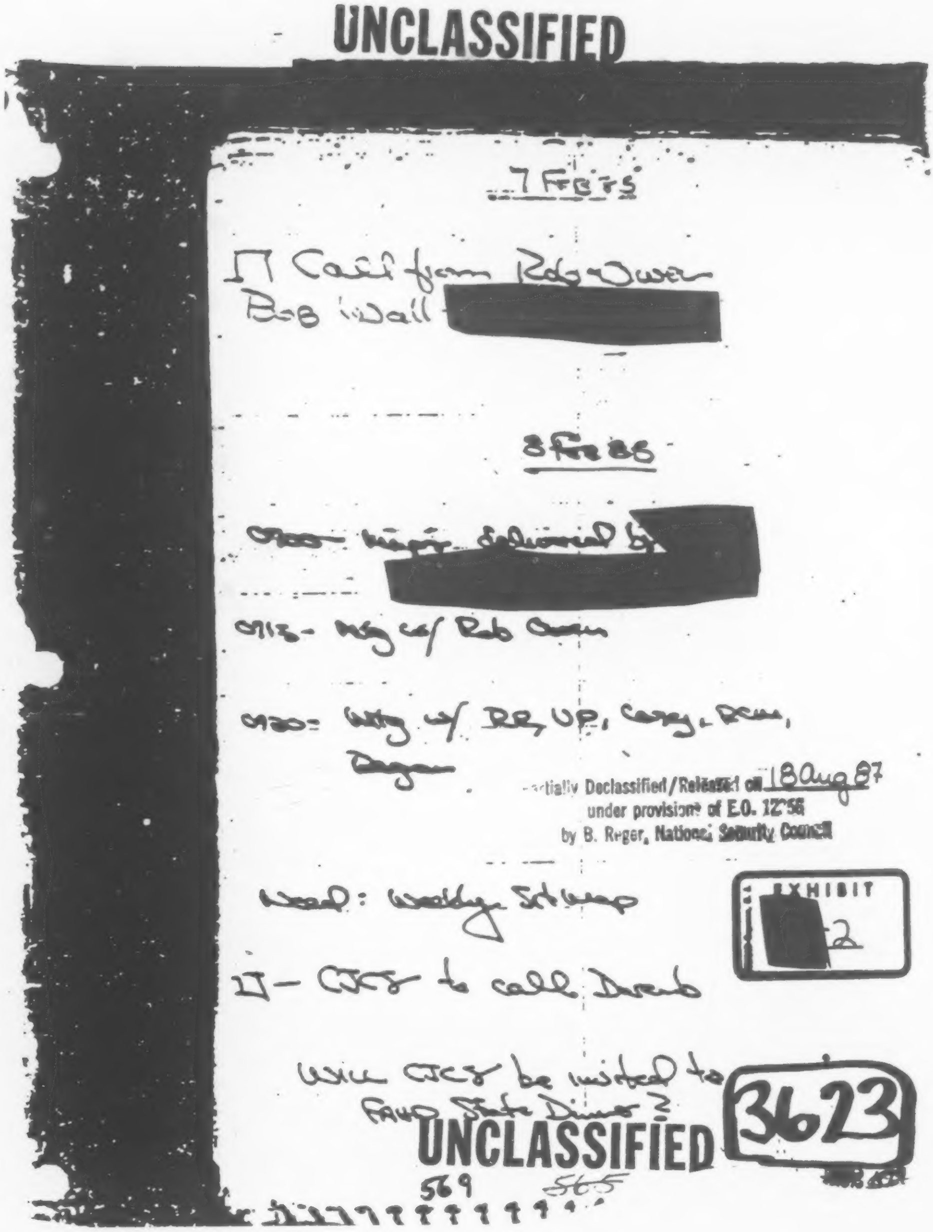
That you authorize me to continue as planned with Calero.

Approve _____ Disapprove _____

EYES ONLY

UNCLASSIFIED EYES

EXHIBIT C/CATF-2



UNCLASSIFIED

[redacted]

7 FEB 85

☐ Call from Rob Owen
Bob Wall [redacted]

8 Feb 86

0900 - Major Editorial by [redacted]

0915 - Mtg w/ Rob Owen

0930 - Mtg w/ RR, VP, Casey, [illegible], Regan

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

Need: Weekly Sit wrap

☐ - CJCS to call Durenb

EXHIBIT [redacted] 2

Will CJCS be invited to FAHD State Dinner?

UNCLASSIFIED

3623

569 ~~565~~

## EXHIBIT C/CATF-3

UNCLASSIFIED

MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-402003
Re-do

February 6, 1985

~~TOP SECRET~~

N 6917

EXHIBIT
[redacted] 3

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Nicaraguan Arms Shipments

The Nicaraguan merchant ship, MONIMBO, is now in port at Taichung, Taiwan, where it is unloading cargo. It is estimated for departure on tomorrow, February 7, enroute to Shikama, Japan, for main engine repairs. [redacted]

Partially Declassified/Released on 18 May 87
under provisions of E.O. 12356
by B. Reger, National Security Council

At this point, there appear to be three options:

-- The shipment could be seized and the weapons delivered to the FDN;

-- the ship could be sunk; or

-- the shipment and the [redacted] parties involved therein could be made public as a means of preventing the delivery.

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

3624

BKD, FBI
12-12-85

UNCLASSIFIED

[redacted] There is no apparent armed security detail aboard the MONIMBO, despite the sensitive nature of her cargo.

If asked, Calero would be willing to finance the operation. He does not, however, have sufficient numbers of trained maritime special operations personnel or a method of delivery for seizing the ship on the high seas. [redacted]

If such an operation were undertaken, it would be best to seize the vessel as it cleared the East China Sea enroute to Nicaragua's Pacific port at Corinto. Arrangements would have to be made for removal of the cargo for further transfer to the FDN, since it is unlikely that any of the other Central American states would allow MONIMBO to enter their harbors once she had been pirated.

If time does not permit a special operation to be launched, Calero can quickly be provided with the maritime assets required to sink the vessel before it can reach port at Corinto. He is in contact with maritime operations experts and purveyors of materiel necessary to conduct such an operation.

RECOMMENDATION

That you authorise Calero to be provided with the information on MONIMBO and approached on the matter of seizing or sinking the ship.

Approve ____ Disapprove ____

We need to take action to make sure ship does not arrive in Nicaragua.

UNCLASSIFIED

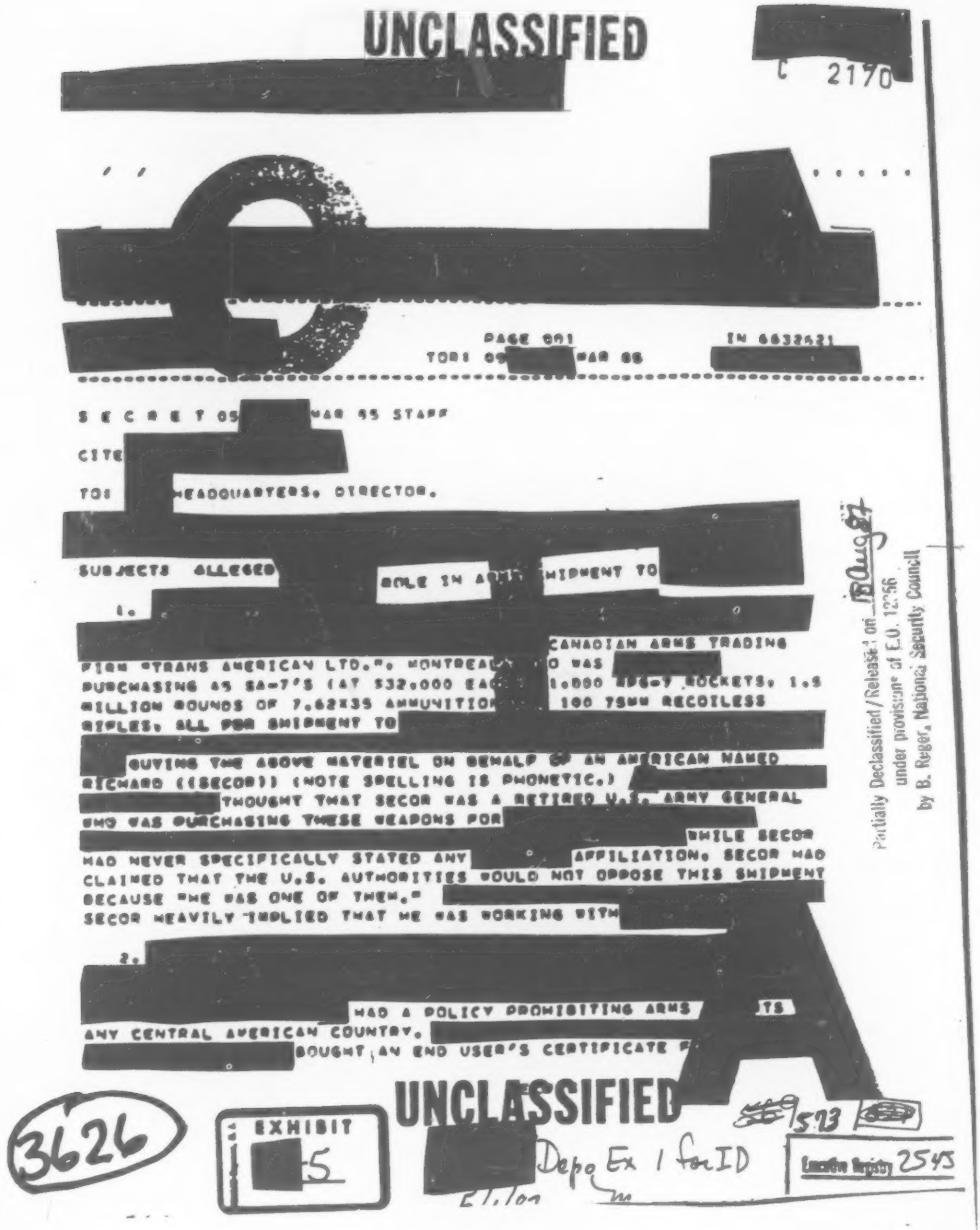
EXHIBIT C/CATF-4

Document
Exhibit [redacted]-4
Note 15 Feb 85

Deleted in its
Entirety

(3625)

## EXHIBIT C/CATF-5



UNCLASSIFIED

[redacted] [redacted]

C 2170

[redacted]

PAGE 001 IN 6632421

TOR: 09[redacted]MAR 85 [redacted]

S E C R E T 05[redacted]MAR 85 STAFF

CITE [redacted]

TO: [redacted] HEADQUARTERS, DIRECTOR.

[redacted]

SUBJECT: ALLEGED [redacted] ROLE IN A[redacted]HIPMENT TO [redacted]

1. [redacted] CANADIAN ARMS TRADING FIRM "TRANS AMERICAN LTD.", MONTREAL[redacted]O WAS [redacted] PURCHASING 45 SA-7'S (AT $32,000 EAC[redacted] 1,000 RPG-7 ROCKETS, 1.5 MILLION ROUNDS OF 7.62X35 AMMUNITION[redacted] 100 75MM RECOILESS RIFLES, ALL FOR SHIPMENT TO [redacted] BUYING THE ABOVE MATERIEL ON BEHALF OF AN AMERICAN NAMED RICHARD ((SECOR)) (NOTE SPELLING IS PHONETIC.) [redacted] THOUGHT THAT SECOR WAS A RETIRED U.S. ARMY GENERAL WHO WAS PURCHASING THESE WEAPONS FOR [redacted] WHILE SECOR HAD NEVER SPECIFICALLY STATED ANY [redacted] AFFILIATION, SECOR HAD CLAIMED THAT THE U.S. AUTHORITIES WOULD NOT OPPOSE THIS SHIPMENT BECAUSE "HE WAS ONE OF THEM." [redacted] SECOR HEAVILY IMPLIED THAT HE WAS WORKING WITH [redacted]

2. [redacted] HAD A POLICY PROHIBITING ARMS [redacted]TS ANY CENTRAL AMERICAN COUNTRY. [redacted] BOUGHT AN END USER'S CERTIFICATE [redacted]

UNCLASSIFIED

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3626

EXHIBIT [redacted]-5

[redacted] Depo Ex 1 for ID

~~59~~ 5-23

Executive Registry 2545

UNCLASSIFIED C 2171

[redacted]

[redacted] PAGE 002 IN 6632621
TOR: 05[redacted]MAR 85 [redacted]

[redacted] CCEPTED THIS [illegible] CERTIFICATE AND ALLOWED THE SHIPMENT TO PROCEED. [redacted] MOST OF THE SHIPMENT WAS AIR-SHIPPED [redacted] IN LATE JANUARY 1985. FUNDS FOR THIS PURCHASE CAME EITHER FROM THE BAHAMAS OR CAYMAN ISLANDS. [redacted]

3. REQUEST HQS COMMENTS ON ABOVE AND WHETHER WE SHOULD RE-SUBMIT PORTIONS IN INTEL FORMAT.

4. FILE: [redacted] DECL OA[redacted]V HUM 4-82. ALL SECRET.

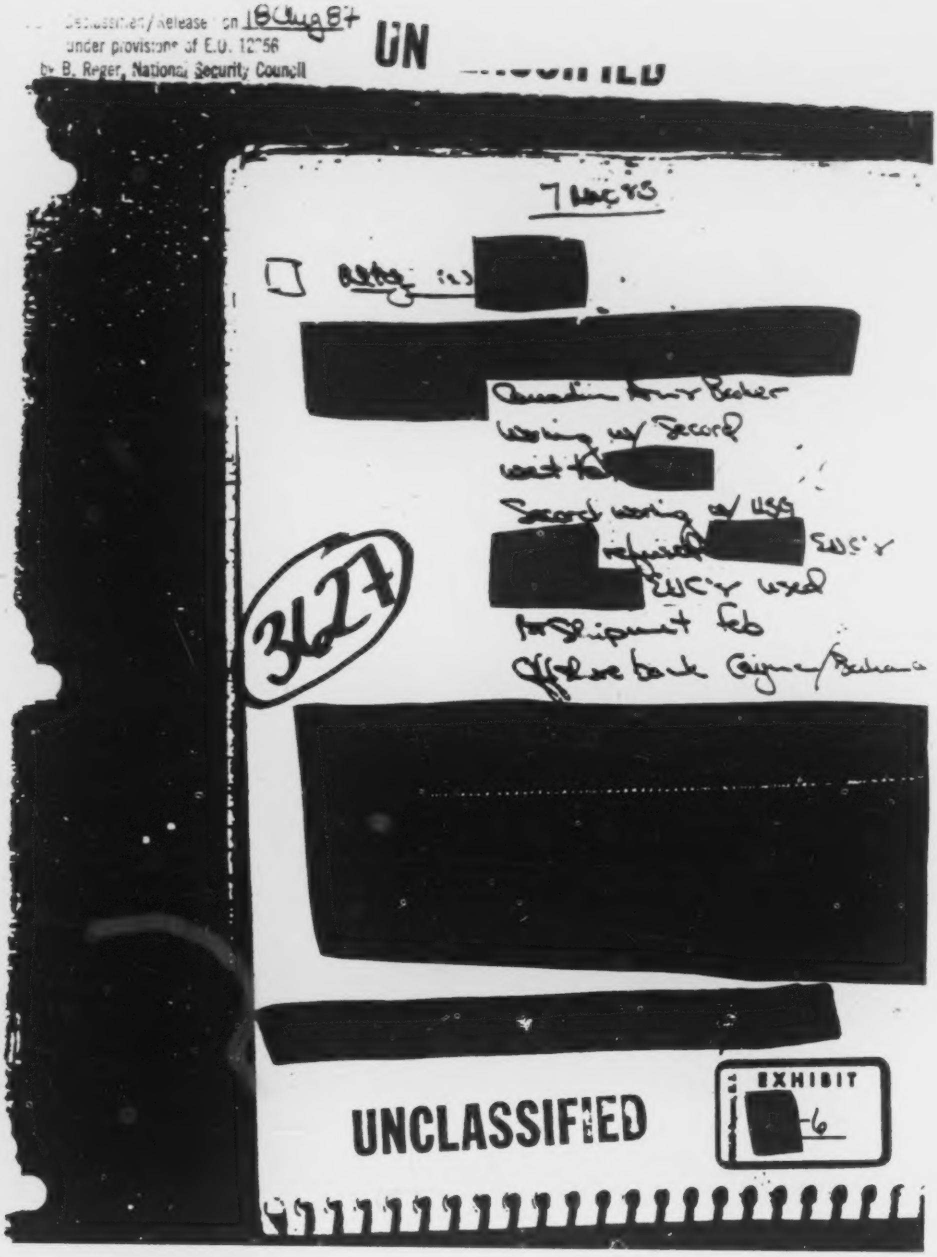
END OF MESSAGE ET

A

UNCLASSIFIED

Executive Registry 254

## EXHIBIT C/CATF-6



Declassified/Release on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UN IFIED

7 Mar 85

☐ Mtg w/ [redacted]

[redacted]

Canadian arms broker
working w/ Secord
went to [redacted]
Secord working w/ USG
[redacted] refused [redacted] EUC's
EUC's used
for shipment Feb
Offshore bank Cayman/Bahama

3627

[redacted]

[redacted]

UNCLASSIFIED

EXHIBIT
[redacted]-6

EXHIBIT C/CATF-7

Document
Exhibit [redacted]-7
C11N 1501 1p.

Deleted in its
Entirety

3628

## EXHIBIT C/CATF-8

[redacted] FD

C/LA/CATF
OUTGOING

85 7573628 ASC

PAGE 001
TOT: 14[redacted] JUN 85 DIRECTOR 415277

STAFF 14[redacted] DIRECTOR 415277
TO: IMMEDIATE [redacted]

C 3049

SUBJECT: LOGISTICS SUPPORT FOR [redacted]

REF: [redacted]

EYES ONLY [redacted]

1. 1. THIS IS TO ADVISE THAT REF MESSAGE IS BEING SANITIZED AND SENT EYES ONLY TO [redacted] [redacted] [redacted] ETC. EVENTUALLY HAVE TO TAKE ACTION AND ADVISE THE CONGRESS OF WHAT APPEARS TO BE A CLEAR VIOLATION OF THE LAW. [redacted] WILL ALSO HAVE TO TAKE ACTION THROUGH THE EMBASSY IN [redacted] THIS WILL BE DONE WITH ALL DUE REGARD FOR SOURCE PROTECTION AND OPERATIONAL SECURITY. IT IS IMPERATIVE THAT [redacted] WITHIN SECURITY CONSTAINTS, CONFIRM THAT AMMO WAS IN FACT SUPPLIED AND IS OF U.S. ORIGIN. PLS BRIEF CHARGE ON REF INFO AS SOON AS POSSIBLE. BY MUTUAL AGREEMENT WITH [redacted] REF INFO SHOULD BE RESTRICTED TO CHARGE AND THOSE [redacted] WITH A NEED-TO-KNOW.

2. NO FILE. CECL OADR DRV. HUM 4-82. ALL SECRET.>

ORIG: [redacted] REL: C/LA/CATF [redacted] CL BY

END OF MESSAGE

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3629

US GOODS [redacted]

1 P 3 3A

7 68

92933

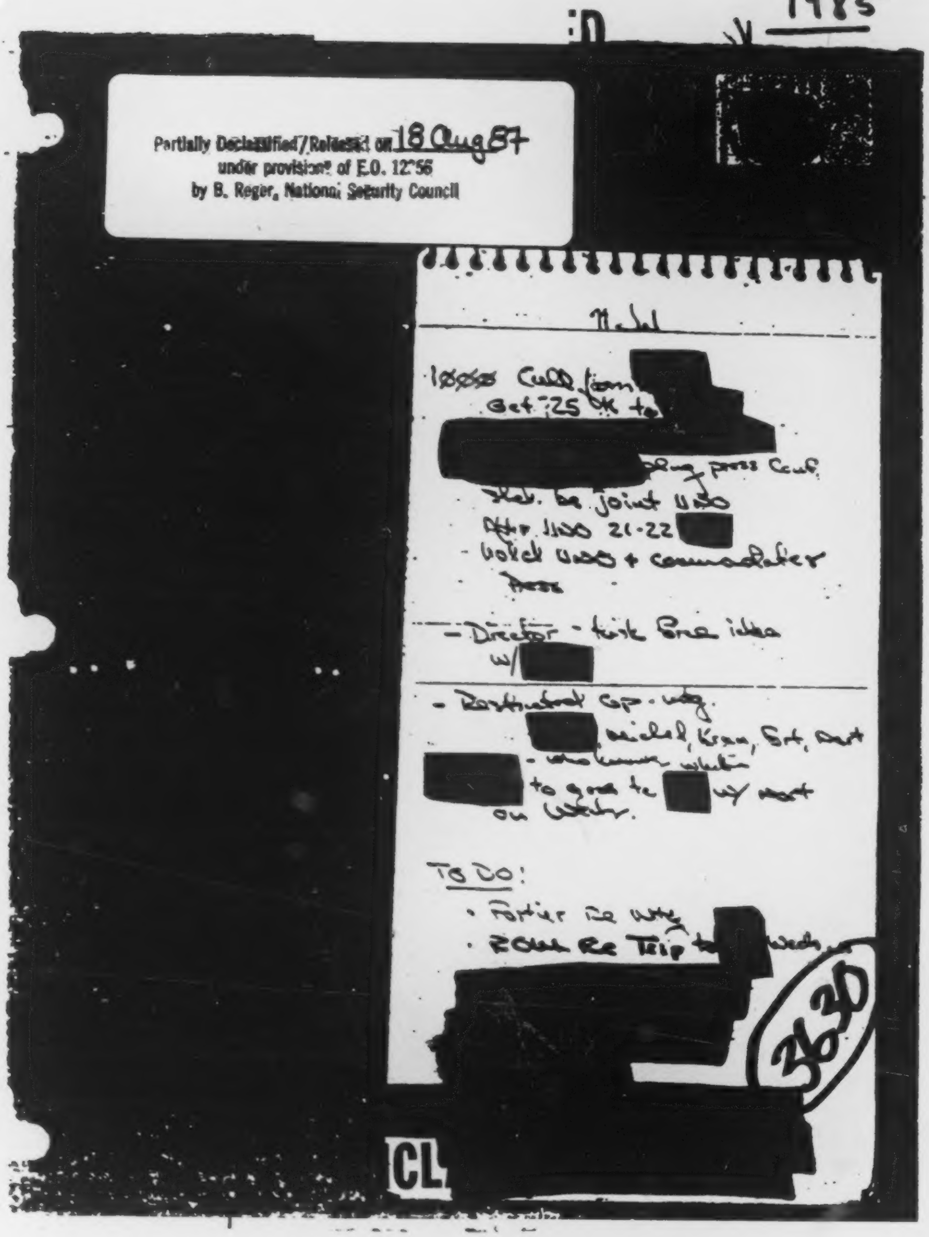
EXHIBIT
[redacted] 8

DO

REVIEWED FOR RELEASE
Date [illegible]
HC & SSC

SECRET
UNCLASSIFIED

# EXHIBIT C/CATF-9



1985

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

N. Sal

1000 Call from [redacted]
Get .25 OK to [redacted]
[redacted] ing press Conf.
Shd. be joint UDO
After 1100 21-22 [redacted]
- Voice UDO + commandater
press

- Director - took fine idea
w/ [redacted]

- Restricted Gp. mtg.
[redacted] Michel, Kraus, St, Burt
[redacted] - who knows what
to give to [redacted] w/ meet
on Weds.

TO DO:
- Fortier re mtg
- Call re Trip to [redacted] Weds.

[redacted]

CL [redacted]

3630

Declassified / Released on 18 Aug 87
under provisions of E.O. 12356

31 Jul 85

1500 - Call fr [redacted]
needs their
- under pressure - $25K
- needs a finance
- 30 ... $ for [redacted]

1540 - Call from [redacted]
- $5K for [redacted]

1 Aug 85

- OPS Staff mtg -
★- Bill Summary for Auth Bill
-

3630a

UNCLASSIFIED

## Exhibit C/CATF-10

UNCLASSIFIED

C 1261 - C 1263
WERE PART of Doc # 618
3 pages withdrawn

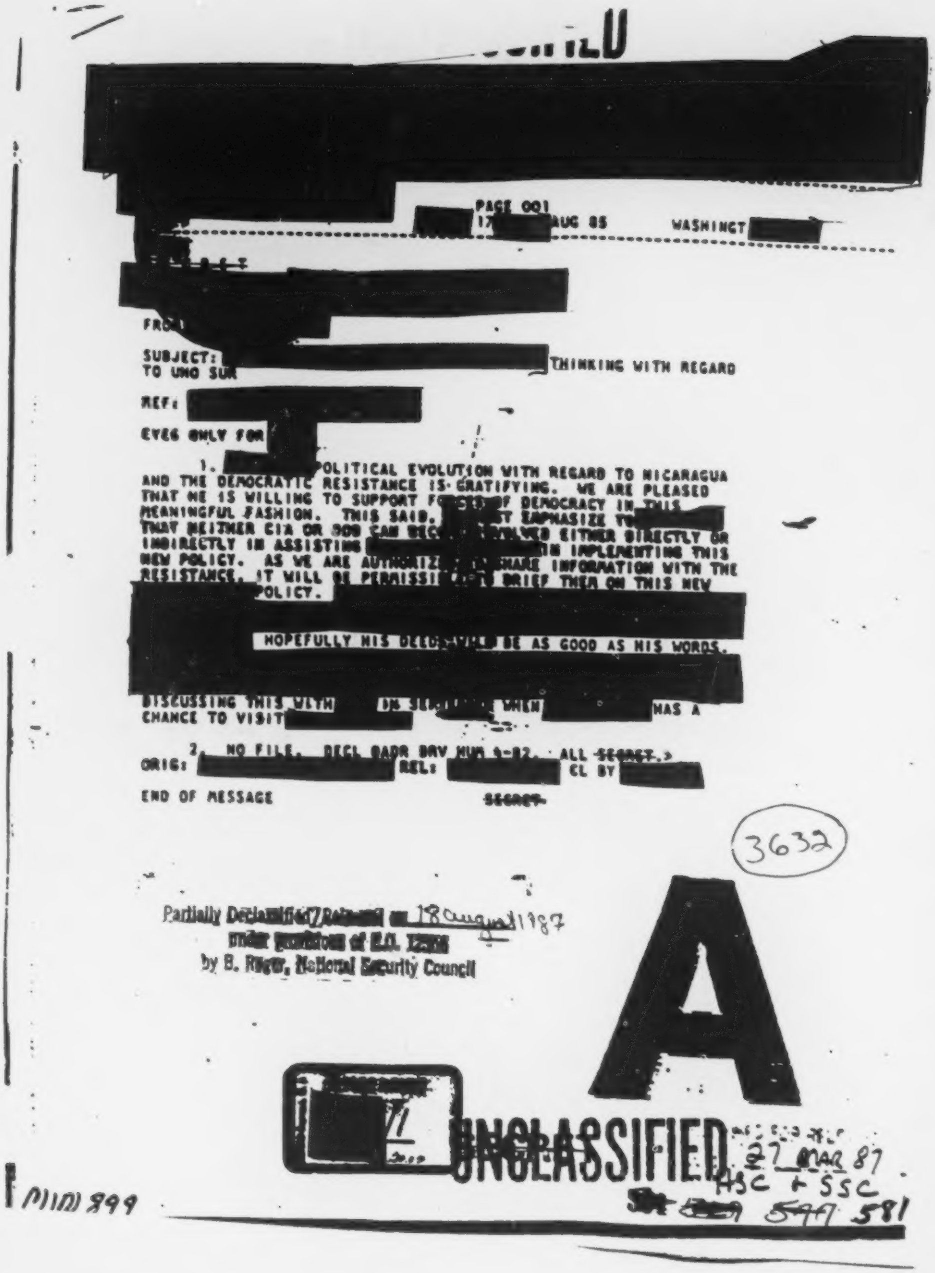
Denied in Full
REREVIEWED 5/30/87
Cable REMAINS classified
IN ITS ENTIRETY.

EXHIBIT
[ ] - 10

3631

UNCLASSIFIED

## EXHIBIT C/CATF-11



[redacted]

[redacted] PAGE 001
17[redacted]AUG 85 WASHINGT[redacted]

~~SECRET~~

[redacted]

FRO[redacted]

SUBJECT: [redacted] THINKING WITH REGARD TO UNO SU[redacted]

REF: [redacted]

EYES ONLY FOR [redacted]

1. [redacted] POLITICAL EVOLUTION WITH REGARD TO NICARAGUA AND THE DEMOCRATIC RESISTANCE IS GRATIFYING. WE ARE PLEASED THAT HE IS WILLING TO SUPPORT F[redacted]F DEMOCRACY IN THIS MEANINGFUL FASHION. THIS SAID, [redacted]ST EMPHASIZE T[redacted] THAT NEITHER CIA OR DOD CAN BEC[redacted]VOLVED EITHER DIRECTLY OR INDIRECTLY IN ASSISTING [redacted]IN IMPLEMENTING THIS NEW POLICY. AS WE ARE AUTHORIZE[redacted]SHARE INFORMATION WITH THE RESISTANCE, IT WILL BE PERMISSI[redacted] BRIEF THEM ON THIS NEW [redacted]POLICY. [redacted] HOPEFULLY HIS DEEDS WILL BE AS GOOD AS HIS WORDS. [redacted] DISCUSSING THIS WITH [redacted] IN SE[redacted] WHEN [redacted] HAS A CHANCE TO VISIT [redacted]

2. NO FILE. DECL OADR DRV HUM 4-82. ALL ~~SECRET~~.>

ORIG: [redacted] REL: [redacted] CL BY [redacted]

END OF MESSAGE ~~SECRET~~

3632

Partially Declassified/Released on 18 August 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

A

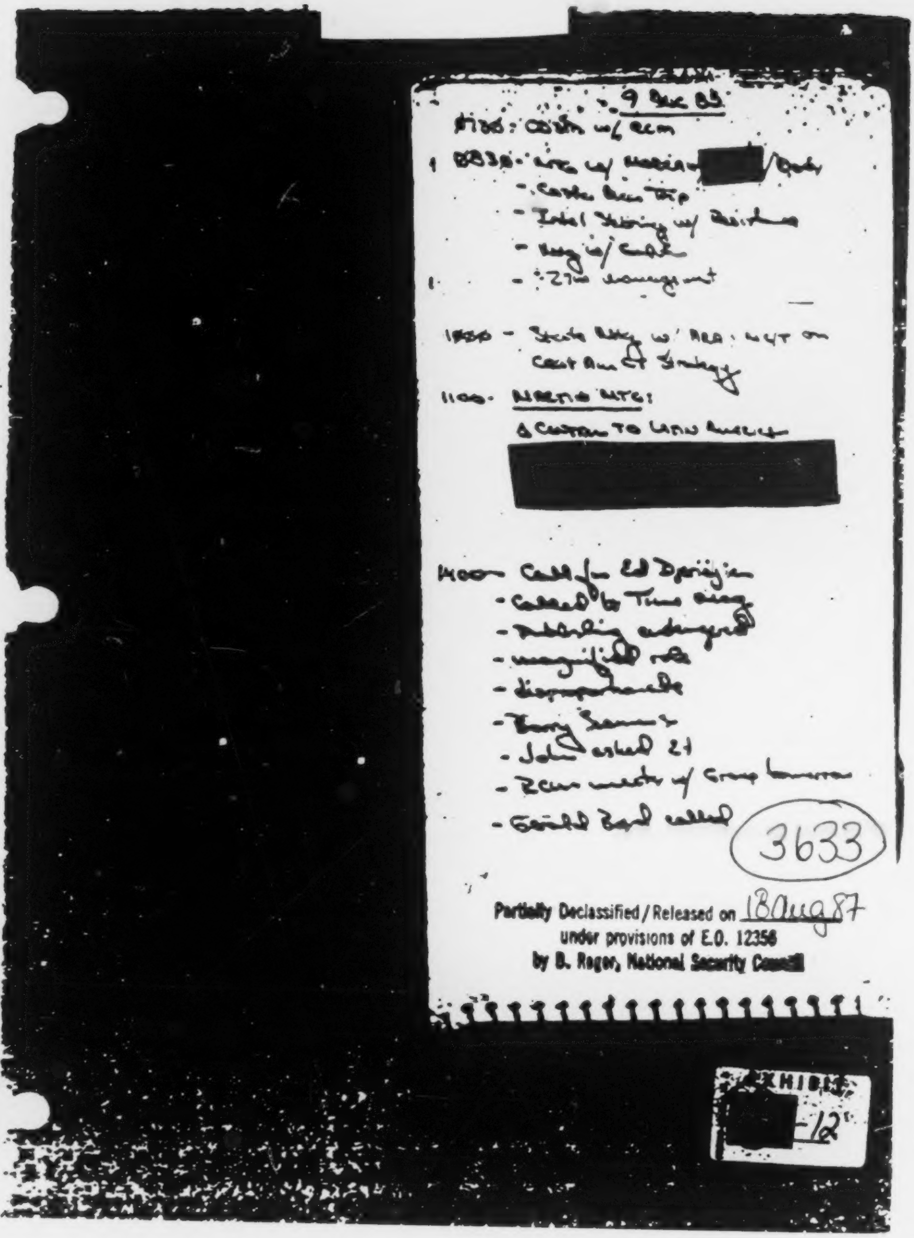
UNCLASSIFIED

27 MAR 87
HSC + SSC

N11(1) 899

~~5??~~ 581

EXHIBIT C/CATF-12



9 Dec 83

0730: CCSM w/ RCM

0830 - Mtg w/ Motley - [redacted]/[illegible]
- Central Amer Trip
- Intel Sharing w/ [illegible]
- Mtg w/ [illegible]
- $27M arrangement

1000 - State Mtg w/ ARA: NYT on Cent Am Strategy

1100 - [illegible] MTG:
Δ Customs to Latin America

[redacted]

1400 - Call fm Ed Djerejian
- Called by Time mag
- publishing endangered
- magnified role
- disproportionate
- Barry Seaman
- John asked 21
- [illegible] [illegible] of Group [illegible]
- Gerald Boyd called

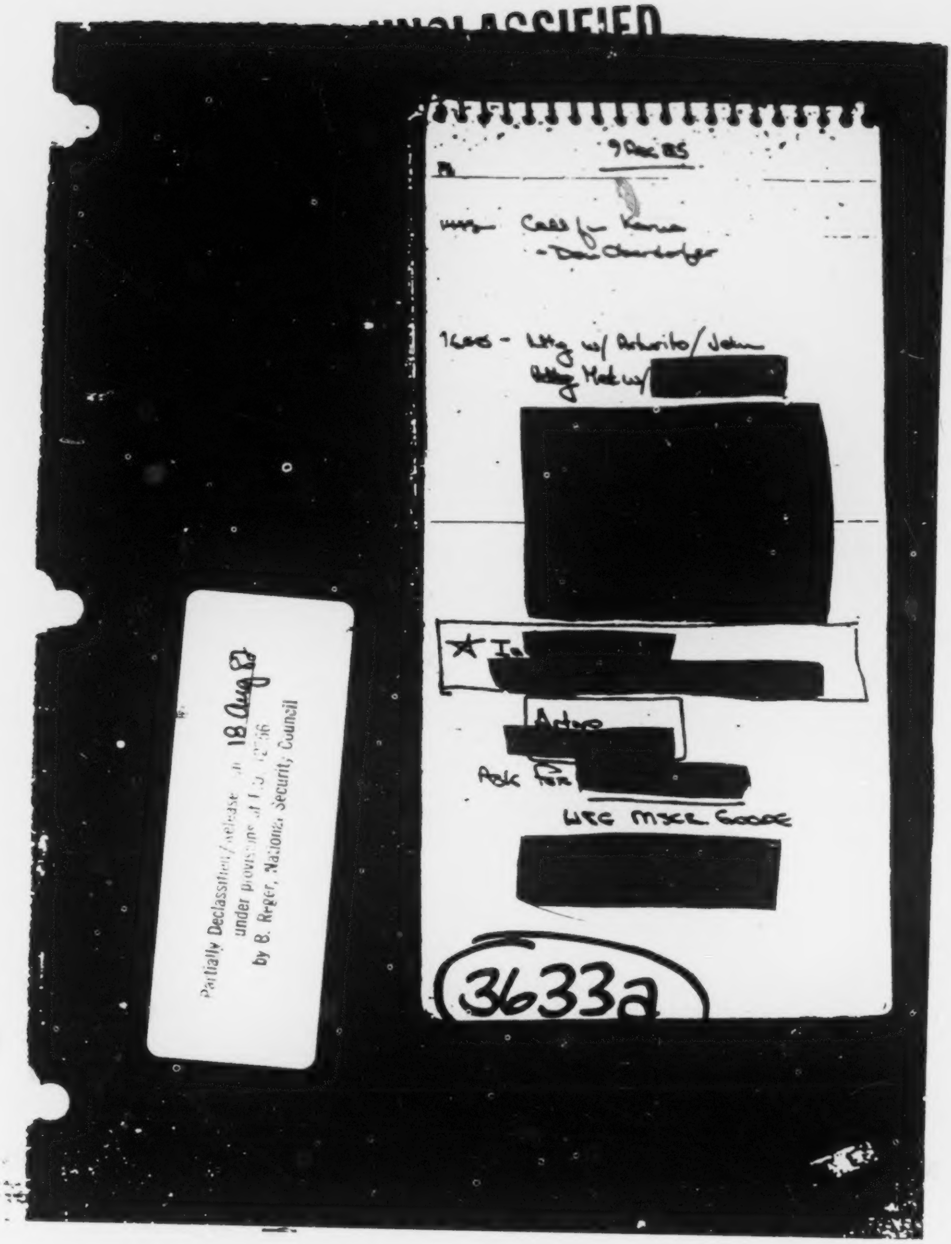
3633

Partially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT [redacted]-12

UNCLASSIFIED

UNCLASSIFIED



9 Dec 85

1445 - Call fr Karna
- Don Oberdorfer

1600 - Mtg w/ Arturo/John
Mtg Mark w/ [redacted]

[redacted]

★ In [redacted]

Adur [redacted]

Ask for [redacted]

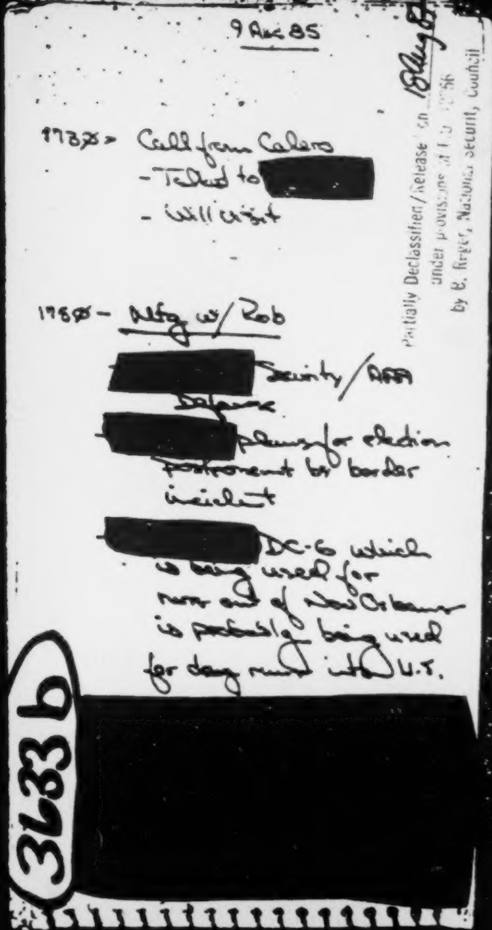
LtC Mike Goode

[redacted]

3633a

Partially Declassified/Released on 18 Aug 88
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED



9 Aug 85

1730 - Call from Calero
- Talked to [redacted]
- Will visit

1750 - Mtg w/ Rob

- [redacted] Security/AAA Defense
- [redacted] plans for election postponement bc border incident
- [redacted] DC-6 which is being used for runs out of New Orleans is probably being used for drug runs into U.S.

[redacted]

Partially Declassified/Released on 18 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

3633 b

UNCLASSIFIED

9 Aug 85

[illegible] a [illegible] to [illegible] } [illegible]
[illegible] in [illegible]

1830 Mtg w/ RCM

[illegible] on news:
- risk of violation
- operate w/in bounds of Cong guidance
- [illegible] — keeping him informed
- was not [illegible] accountability
  - Going back to Jun 84 needed to reassure [illegible] of our intention to go back to Congress. Will go back again & again. Reassuring

- Military guidance: not realistic
  - couldn't be managed from D.C.
  - couldn't be done if not on scene
  - had to be done on ground.

9 Questions

① [redacted] Ltr. Craig

② May 1984: North memo. Increase [illegible] to [illegible] away from

③ [illegible] to [illegible] -

④ [redacted] [illegible] -

2 mtgs w/ [redacted] July
Pol Int.

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

~~539~~ ~~581~~ 585

UNCLASSIFIED

3633c

## EXHIBIT C/CATF-13

UNCLASSIFIED

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

TO: BG: FOR YOUR EYES ONLY

August 25, 1985

FROM: TC

SUBJECT: August 19, 1985 Trip

EXHIBIT
[redacted] 13

3634

Itinerary: August 19 - Washington-Miami
20 - Miami-[redacted]
21 - [redacted]
22 - [redacted]New Orleans
23 - New Orleans-Washington

Meeting with Ben and Johnny

This took place in Ben's office and in attendence were [redacted]d Johnny. Very cordial meeting with the emphasis on [redacted] farm. Two sites were discussed, but the decision was made to use just one, as there would be less chance of discovery.

The area decided on is on the west coast, [redacted] Am presently waiting for the name of the American so information on him can be found out and he can be approached by a company wishing to rent the land for a year with the option to buy. A guess is the cost will run between $10,000 and $20,000 for a year.

The cover for the operation is a company, owned by a few "crazy" gringos, wanting to lease the land for agricultural experimentation and for running cattle. A company is in the process of being formed. It might be a good idea to have it be a Panamanian Company with bearer shares, this way no names appear as owners. The gringos will own two planes, registered to the company and duely registered in the country in question. Cattle will be purchased as will some farming equipment and some land plowed.

The main house, [redacted] will be vacated and used by the Gringos. It will be possible to use third country nationals, although this was not extensively discussed. [redacted] will provide a cook, the peones to work the farm, and security.

A number of improvements will need to be made to the property. They Include:

- Building an airstrip next to the main house
- Putting in gas storage tanks by the house and a hangar and maintenance shed
- Building a road usable by 4 wheel drive to the 2nd site, about 10,000 meters
- Leveling and grading a second strip, about 800 meters
- Drilling a well by this site
- Building storage facilities
- Clearing a road to the beach

Once the new strip is completed it will be designated a military zone and will be guarded [redacted]. The cover is it will be being used for mortar and rifle practice. There are no houses or farms near-by and the strip is right off the water and in a draw between two ridge lines, so it is well out of sight.

UNCLASSIFIED

Initial costs for the project include:

- Construction costs
- Purchase of at least two vehicles, both 4 wheel drive, a truck and pickup
- Cost of land, cattle and farming equipment
- Establishing the company, lawyers and registration costs
- [redacted] costs; should not be too high
- Salaries for gringos
  - Air ops (Spanish speaking)
  - 2 pilots
  - Mechanic
  - Loadmaster/packer/rigger
  - Civil engineer to oversee construction of the strips
- Registration of two planes in country
- Fuel

Requirements in the States for the project:

- Form company
- Off shore bank account
- Contact and negotiate with present owner
- Budget project
- Contract personnel.

Next trip to the country should be with a civil engineer and air ops officer to begin the project with site survey, follow-up meeting with [redacted] transfer of the property, establish company, begin construction.

The time table will depend on how quick the company is formed and personnel contracted.

The rest of the meeting was spent discussing the move of forces away from the border area. They want this done as soon as possible. They might be willing to help facilitate the move by providing trucks to take the people to a jumping off point. Johnny was more in front then his boss. It was left that they would be kept informed.

They were concerned with a base reported to be some 10 to 15 klics inside. If it was still there this weekend it was to be raided.

It was a very positive meeting and they want to work with us, but there are obvious concerns. The biggest on both sides is how long the operation will remain covert.

Meeting with [redacted]

On the evening of the 21st I met with [redacted] at the request of [redacted]. This followed our previous meeting and [redacted] thought I could reinforce the need for [redacted] and his boys to move quickly. A number of issues were covered and as we already discussed them I will just briefly mention the significant points.

The Move: On Friday a decision was supposed to be rendered as to how best to carry out moving the approximately [redacted] people and some [redacted] supplies. The only two viable options are either :

[redacted]

Once a plan is finalized it will take a period of time to set up the logistics. Earliest possible time for a jump off is probably at least10 to 14 days. Even then it is pushing it the way these people operate.

There is resistance against the move, especially by [redacted] and his staff. They will drag their feet as long as possible. They complain they don't know the area.

If they go [redacted] they will have to be supplied with the following:

[redacted]

This could be done by air out of [redacted]

[redacted]

Meeting with [redacted] Pastora wants [redacted] to join him and work with [redacted] Says the Gringos are out to screw [redacted] thus he should protect himself and his people and join [redacted] He reminded [redacted] if he goes inside he goes into his territory.

[redacted] believes Pastora is finished. His people in the field only talk to him on the radio in hopes he will beable to supply them with ammo or whatever.

Human Rights Violation: The internal investigation shows [redacted] did order the torture and the ultimate execution. It was decided [redacted] should decide what punishment he deserves and was supposed to decide by Friday. He gave [redacted] indications if [redacted] is forced out of the movement he may choose to resign. If this is the case, the whole movement may be better off. If [redacted] decides on this course of action, it was suggested to [redacted] he and [redacted] go public immediately to get a jump on the press.

[redacted] It is thought the organization may be receiving as much as $50,000 a month for expenses and travel; most probably from [redacted]

UNCLASSIFIED

BG
August 25, 1985
Page 4

[redacted] Personal Feelings: To quote [redacted] "I'm tired of the lack of equivalency in the Triple A. [redacted]

Major things he is concerned about include:

- He has not received his $30,000 for August.

[redacted]

- Made it very clear he will not accept anymore money from Calero.

[redacted]

Meeting with [redacted]

I flew to New Orleans and spent about 6 hours with [redacted] on Thursday night. I brought him as up to date as possible and answered his questions as best as possible.

His concerns were: what was going to be the CR's stand, would his financial situation be taken care of, and deep down he was subtly asking if he had what it will take, or was he walking into a no-win situation. I think this is his biggest concern; that is why I promised he would have a gringo by his side to advise him and provide him with as much help as possible.

If he decides, he would like someone to call or visit his boss to explain the situation as he believes he owes him a great deal, including an explanation.

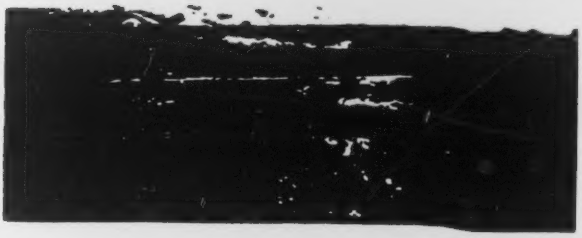
His decision is due on Monday, August 26.

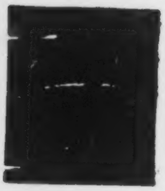
UNCLASSIFIED

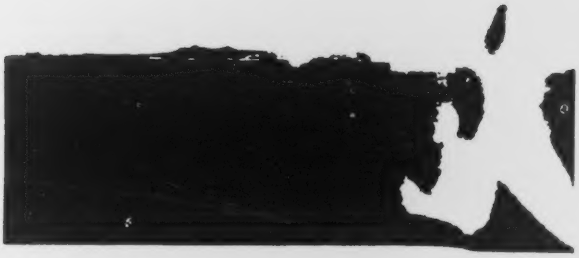
UNCLASSIFIED

UNCLASSIFIED

UNCLASSIFIED

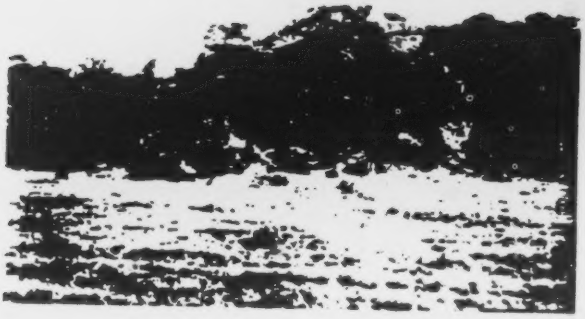


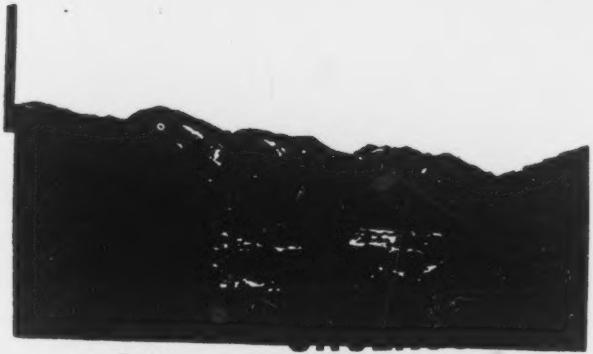




UNCLASSIFIED

UNCLASSIFIED





## EXHIBIT C/CATF-14

UNCLASSIFIED

Partially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

September 20, 1985

Dear Felix:

AFTER READING THIS LETTER PLEASE DESTROY IT. You may keep the photographs.

Within the next 15 days, the Unified Nicaraguan Opposition (UNO)/ Nicaraguan Democratic Force (FDN) air arm will commence operations with two new types of aircraft: the C-7, CARIBOU and the M-740, MAULE STOL (see enclosures). These aircraft will be used for air drop/aerial resupply to units inside Nicaragua.

Two contract C-7s are scheduled to arrive in [redacted] on or about October 10. Initially the aircraft will be flown by U.S. citizens who are employees of the firm contracted to provide delivery services for the FDN. It is intended that these aircraft will operate primarily at night, performing paradrops to units deep inside. Nicaraguan aircrews will be trained to fly these missions as soon as possible.

The resistance has also purchased a number of new MAULE aircraft shown in the enclosed photograph. These STOL a/c will be used for day and night short-haul missions to include MEDEVAC and aerial resupply. Each aircraft comes with a spare parts package and a maintenance line has been established. Two aircraft have already been delivered. More will follow. All will be flown by Nicaraguan pilots or other Latin Americans -- not U.S. citizens.

Eventually both types of aircraft will also operate in support of the [redacted] front from fields [redacted] Neither [redacted] or [redacted] have adequate sites for maintaining these aircraft. The only location which provides sufficient OPSEC, ramp space and occasional hangar time for servicing these aircraft is at [redacted]

Since this is a completely compartmented operation, being handled by the resistance, you are the only person in the area who can set-up the servicing of these aircraft with [redacted] [redacted] and [redacted] both have a high regard for you and you may use my name privately with either of them but no others. You must not advise [redacted] you must also keep knowledge of this project from [redacted] who is not working with our people.

Would you, therefore, approach [redacted] and [redacted] with the following proposal:

-- Service space for one C-7 on a one day a week basis. A representative of the C-7 contractor will ensure that all parts and maintenance items are delivered to FDN service technicians (three) as needed. No [redacted] parts or maintenance will be required.

UNCLASSIFIED

EXHIBIT [redacted] 14

(3635)

-- Service space for occassional MAULE maintenance with parts and supplies handled the same as above. Again, no [illegible] [redacted] parts or labor will be required.

-- This plan requires only discrete use of the [redacted] space and no use of FMS; MAP; and/or Agency funds, equipment, and/or personnel. The contractor will guarantee discretion.

Please advise soonest as to [redacted] acceptance of this proposal. If [redacted] and [redacted] agree, a representative of the maintenance contractor will arrive and seek you out. He will identify himself as coming from Mr. Green.

Warm regards, hope all is well with you. We hear nothing but good reports about your work. Keep it up. Vaya con Dios!

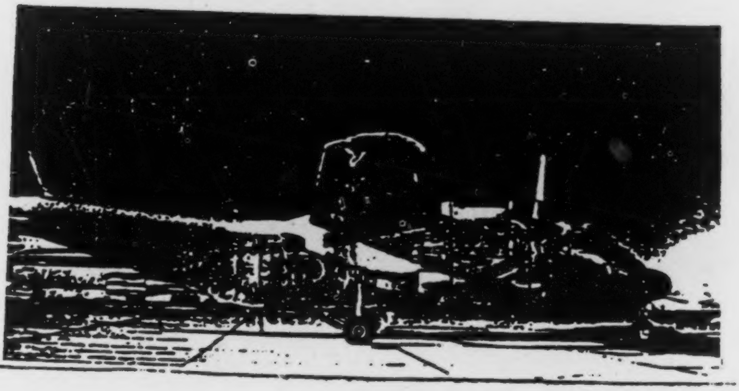
Mr. Felix Rodriguez
215 N.E. 114th Street
North Miami, FL 33161

UNCLASSIFIED

UNCLASSIFIED

## CARIBOU
## C-7

| | |
|---|---|
| Manufacturer: | [redacted] |
| Power Plant: | Dart recip |
| Crew: | 2 Pilots; loadmaster |
| Passengers: | 37 Troops |
| Payload: | 9,700 lbs. |
| Cruising Speed: | 150 kts (max.) |
| T.O. Run: | 950 ft. |
| Landing Run: | 1,550 ft. |
| Range: | 1,700 nm |
| Costs: | $751./flt. hr. |



## Exhibit C/CATF-15

JNCLASSIFIED ~~SECRET~~

S RIG
(my file)

NHAO Meeting 10/7
Michel
North
[redacted]
Walker
Melton
RWD

S 4253

EXHIBIT [redacted]-15

I reported on:
1. [redacted] in [redacted] to spend money.
2. Attempts to get vouchers -
- Frontline problem

[redacted]
- Intent to pay $400,000 this week.

Ollie - ~~[illegible]~~ don't deal w Mario. But - he is only infrastructure I pointed out.

Michel - Problem is UNO has no real infrastructure. No budget presented.

[redacted] - We must remember USG has been out of touch for a year.
By Oct. 21 [redacted] CIA can give advice.

[redacted] -
- Will supply list of reliable suppliers
- Will.
- Will set up organizational [illegible] to [illegible] on how to use best.

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3636

[illegible] Ⓧ [illegible] [illegible] for Project [illegible]

[illegible] Ⓧ Explore w [redacted] how can we ~~[illegible]~~ arrange [redacted] to pay directly [illegible] [redacted] Has to be accountable to NHAO

Ⓧ [redacted]

[redacted]

Mainland force, loans, cannot [illegible] to [redacted]
Use Ⓧ Emb[redacted] cable - 'American supplier' from

ICLASSIFIED

UNCLASSIFIED

RIG – Oct 1, 1985 S425+A
Michel, North, [redacted] Walker, Melton

My Prep Notes

Progress Report

Urgent medical assistance – FDN & KISAN
[redacted] list
Project Hope –
1st shipment air freight this week
Vetting some requests –
Delivery via New Orleans (Mario) or direct
Urgent food assistance
[redacted] arrived [redacted] 9/30
Arranging $500,000 credit –
Pay FDN creditors (UNO concurs):
attempt to reach KISAN

tially Declassified / Released on 18Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

3636a

Role of Emb [redacted]
Duemling – [redacted] Telecon 9/30

Problems:
- 1. Consignee for supplies
Emb? AID? NHAO?
2. Transfer of funds – thru
Emb? [redacted]?
3. NHAO in [redacted] – permanent presence? (see ...)

Role of AID –
Duemling [redacted] Telecon 9/30 –
AID Wash very skittish on involvement

Partially Declassified/Released on 13Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNO Infra-structure –
[redacted]

UNCLASSIFIED

UNCLASSIFIED

[redacted]

S 4255

Note from Buechler 10/1 ·
FDN Supply practices

Most suppliers approached them at Las Vegas Trade Show of Military Surplus Goods

Sweetland Surplus -
May be manufacturer's rep -
Wants payment prior to manufacturing
( cushion soles 2,000 ea.
( poncho liners 20,000

Frontline -
under federal indictment - 25 counts - for dealing in goods stolen from USMC.

[redacted]

[redacted]

tially Declassified/Released on 18Aug87
under provisions of E.O. 12356
B. Reger, National Security Council

3636b

UNCLASSIFIED

UNCLASSIFIED

S 4256

October 1, 1985

Subject: Summary of telegram on NHAO, currently in draft in Embassy [redacted]

[redacted] Note: On October 1, Duemling talked by secure phone with [redacted] They wished to read the text of an embassy telegram prepared after lengthy discussions among [redacted] [redacted] on the subject of NHAO's interface with [redacted] Following is a summary of the text, which they plan to put on the wire NIACT Immediate around 5:00 pm Oct. 1 [redacted] time.

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3636c

Summary of text

Embassy urgently needs guidance on how to discuss NHAO with [redacted] Unfortunately, [redacted] visit has raised more questions than provided answers.

[redacted]

It is essential that any material or funds for UNO/FDN be provided to them outside [redacted]

Major problem at present is that local suppliers have extended [redacted] worth of credit to FDN in food and clothing. Since suppliers have not yet been paid, they have stopped giving credit, and as a result, UNO/FDN troops supplied through [redacted] are getting only one meal per day of beans and rice.

In Embassy view, quickest and most efficient way of resolving this problem is to pay off the suppliers so they will once again extend credit. However, [redacted] will not allow this payment of suppliers to take place in [redacted] (at least not by USG representatives).

[redacted]

Disbursements must take place outside [redacted] Embassy thinks this could easily be accomplished by NHAO establishing a revolving bank account for UNO/FDN: NHAO would pay in, and replenish the account as receipts come in showing how disbursements have been made. This system would also be CONFIDENTIALor paying Stateside suppliers.

- 2 -

Embassy also believes that any turnover of supplies to UNO/FDN should take place outside [redacted] for example, in New Orleans.

UNCLASSIFIED

UNCLASSIFIED

Embassy says tha[redacted]is entirely satisfied with the existing system for funnelling support to the FDN [redacted]

S
4257

The Embassy message then describes the existing system, whereby FDN ships directly int[redacted] airport, and on arrival the material is transferred [redacted] Similarly FDN passes on material intended for KISAN and/or the Indians.

Embassy suggests that UNO/FARN should establish an office in[redacted] so it could plug into the existing supply net, and then re-transport by air from[redacted]

Embassy then notes that it is important that the integrity of the NHAO be safeguarded, and Congressional concerns satisfied.

Embassy then expresses strong preference that CIA assume all monitoring and verifying duties[redacted]. Embassy prefers not to have any NHAO personnel in the embassy unless absolutely necessary, in which case one man might be placed in the Political Section.

Embassy concludes message by asking urgently for detailed instructions on how to proceed wit[redacted]

Duemling comments

Afte[redacted] read text of draft telegram[redacted] came on phone and Duemling commented as follows about the message:

1. Concept of revolving fund, by which NHAO transferred cash to UNO/FDN, presents verification problems as well as presentational problems vis-a-vis the Congress.

2. Whil[redacted] may be satisfied with existing supply system, it still has problems: FDN is obliged to accept delays and [illegible], and Indians are critical (and have so told Washington

UNCLASSIFIED

UNCLASSIFIED

[redacted]

5 4258

- 3 -

constituental because they are doubly skilled. [redacted]

3. Use of CIA as sole agent for monitoring and verification purposes is not acceptable because it would open NHAO to Congressional critics.

After further conversation with [redacted] and [redacted] they seemed to agree that certain modifications might be acceptable, though they are not sure whether [redacted] will agree, to wit:

a. Most [redacted] suppliers have Stateside bank accounts. It would be acceptable for NHAO to pay into these accounts as way of accommodating current UNO/FDN indebtedness. [redacted] is now trying to get names of banks and account numbers for each supplier, so we can move rapidly to this end. That will greatly relieve the current credit crunch that FDN is suffering. This arrangement would also obviate the need for a revolving fund.

b. [redacted] agreed that it might be possible for the Embassy to have one or two NHAO personnel on the Embassy staff. But if so, [redacted] would want them assigned through the normal assignment system, and they would have to serve as Political/Refugee officers, a function that would allow them to plausibly get out and around to do Embassy work. In fact, they would be serving NHAO needs, and if any time were left over, they could assist the embassy. [redacted] did not like the idea of any private citizens or temporary trouble-shooters visiting [redacted] on NHAO business.

Duemling urged [redacted] to incorporate these further options into the message coming from the Embassy. Duemling also noted that he would be passing the substance of the draft to an inter-agency meeting at 5:30 pm Oct. 1, and that the group would study the message in detail when it is received, and respond as quickly as possible.

RWDuemling 10/1/85

Document 6447C in ARA/CEN

UNCLASSIFIED

UNCLASSIFIED

S 4259

[redacted] on secure phone [redacted]

Telegram

Reftel A
B

Guidance -
Answers -

[redacted]

Materials & funds provided outside [redacted]

Press guidance suggestions later.

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3636d

Major problem — [redacted]
Local suppliers
food & clothing credit [illegible]
cutting off supplies.
UNO/FDN troops getting [illegible]
→? Quickest way most efficient to pay suppliers
this will then renew credit [illegible]
allow that [illegible] [redacted]

Disbursements outside [redacted].

Revolving bank account to replenish

Also for procurement in U.S

Turnover of supplies outside [redacted]
Everything to UNO/FDN in New Orleans
600 lbs.

UNCLASSIFIED

2/ **UNCLASSIFIED** S 4260

[redacted] entirely satisfied to existing system - ?

NHAO - official for [redacted]
Inspection in [redacted] by NHA.

UNO rep. receives -

Things for KISAN turned over to their guys in [redacted]

FARN should est. a man/office in [redacted] & things thereafter sent to [redacted].

Vital import that integrity of provisions be safeguarded, including Con[illegible]

Draw on [redacted] personnel -
don't ~~[illegible]~~ have NHAO personnel in Emb. unless necessary
Otherwise - 1 man in Pol Sect

tially Declassified/Released on 18Aug87
under provisions of E.O. 12356
National Security Council

3636e

Action

Instructions to

**UNCLASSIFIED**

UNCLASSIFIED

2/

(North) says use - S 4254

Mr Green said to call -
Maximo Gomez
[redacted]
Will airlift the stuff from [redacted]

[redacted]

Project Hope => being asked to take on refugee assistance.
Air strip being prepared
Hope will care for wounded together w refugees.

UHAC can funnel medicine & food there [redacted] to the Southern Front.

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

---

3636f

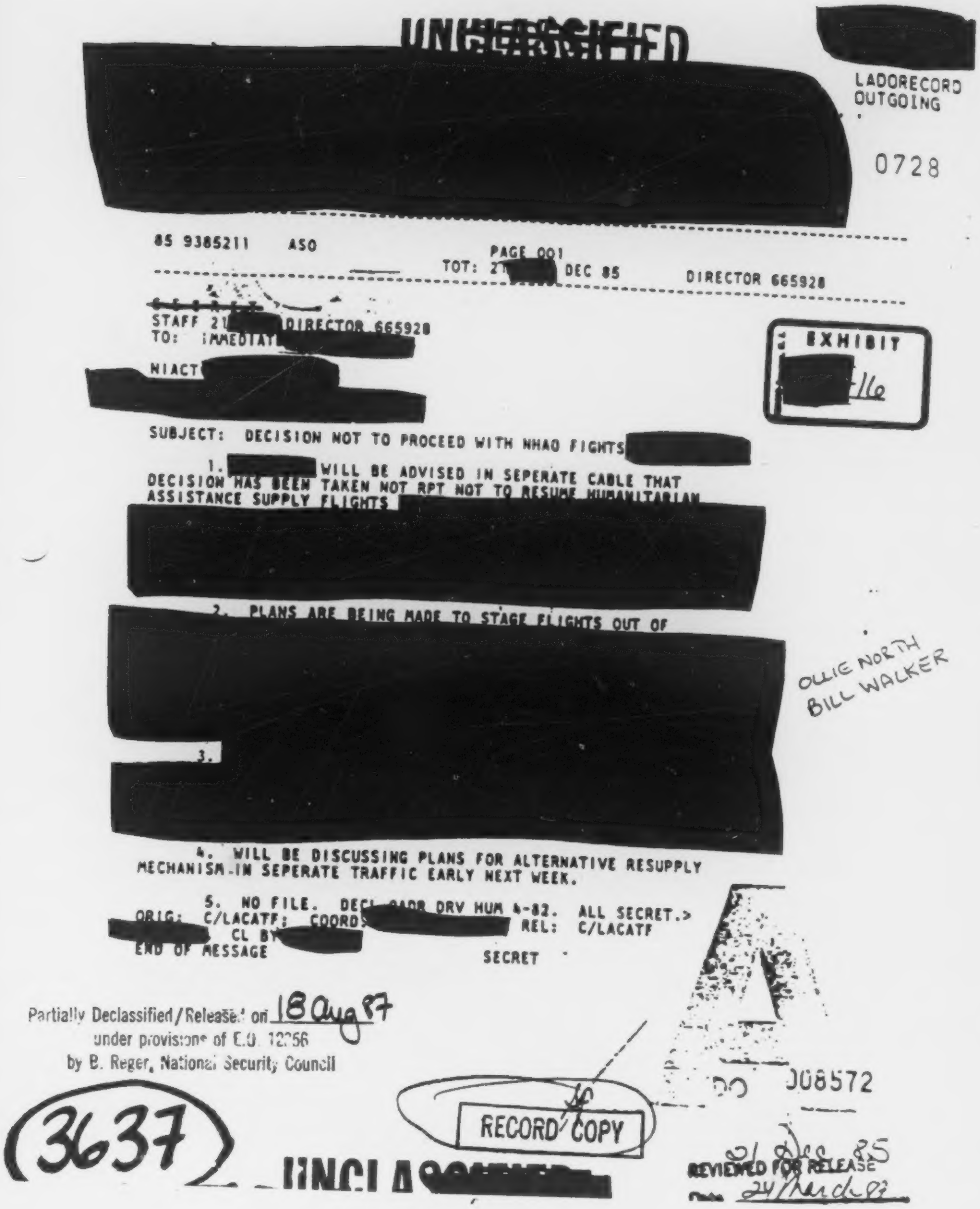
(X) Prior to the meeting [redacted] told me privately ~~that "timing of [redacted] visit to [redacted] was just right~~ that [redacted] was in [redacted] "just at the right time" since he had been able to meet and talk with [redacted] and others. He calmed everyone down."

(X) Note: This was first I had heard of these meetings/conversations. [redacted] had not mentioned them to me in advance, nor when we spoke on the telephone early afternoon Oct. 1.

Later, [redacted] denied having asked [redacted] to d this. I infer it was North. Such convers contrast with Emb [redacted] sensitivity - bringing [redacted] in [redacted] by U.S military plane, & keeping him "un wraps" while at the Emb.

UNCLASSIFIED

## EXHIBIT C/CATF-16



UNCLASSIFIED

[redacted]

[redacted]

LADORECORD
OUTGOING

0728

85 9385211 ASO PAGE 001

TOT: 2[redacted] DEC 85 DIRECTOR 665928

~~SECRET~~

STAFF 21[redacted] DIRECTOR 665928
TO: IMMEDIATE[redacted]

NIACT[redacted]

EXHIBIT
[redacted]-16

SUBJECT: DECISION NOT TO PROCEED WITH NHAO FIGHTS[redacted]

1. [redacted] WILL BE ADVISED IN SEPERATE CABLE THAT DECISION HAS BEEN TAKEN NOT RPT NOT TO RESUME HUMANITARIAN ASSISTANCE SUPPLY FLIGHTS [redacted]

2. PLANS ARE BEING MADE TO STAGE FLIGHTS OUT OF [redacted]

3. [redacted]

OLLIE NORTH
BILL WALKER

4. WILL BE DISCUSSING PLANS FOR ALTERNATIVE RESUPPLY MECHANISM IN SEPERATE TRAFFIC EARLY NEXT WEEK.

5. NO FILE. DEC[redacted] DRV HUM 4-82. ALL SECRET.>
ORIG: C/LACATF; COORD[redacted] REL: C/LACATF
[redacted] CL BY[redacted]
END OF MESSAGE SECRET

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 008572

RECORD COPY

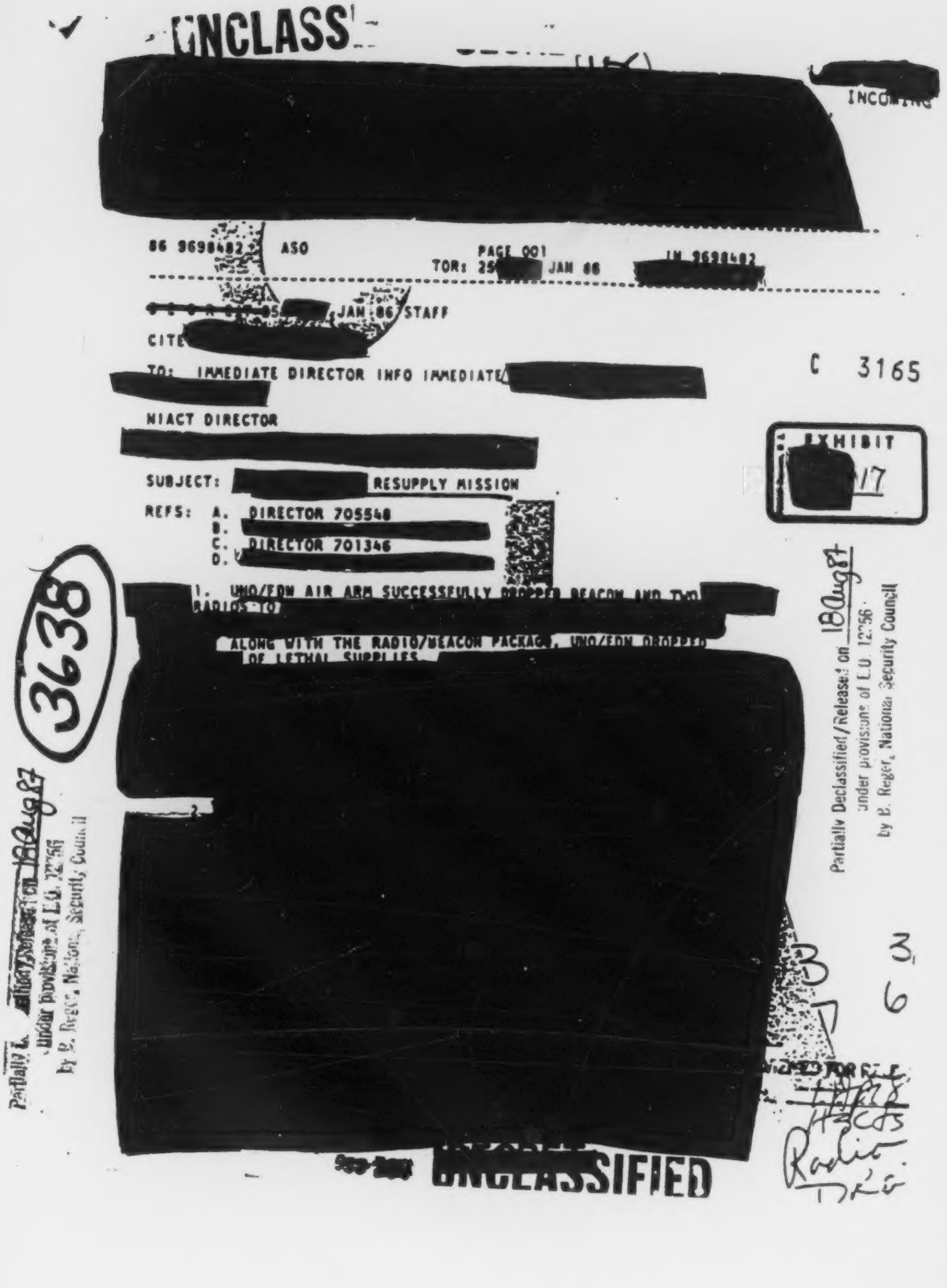
21 Dec 85

REVIEWED FOR RELEASE
Date 24 March 87

(3637)

UNCLA[redacted]

## EXHIBIT C/CATF-17



UNCLASS[redacted]

[redacted] INCOMING

86 9698482 ASO PAGE 001 IN 9698482
TOR: 25[redacted] JAN 86 [redacted]

[redacted]05[redacted] JAN 86 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR INFO IMMEDIATE [redacted]

C 3165

NIACT DIRECTOR

[redacted]

EXHIBIT [redacted]/17

SUBJECT: [redacted] RESUPPLY MISSION

REFS: A. DIRECTOR 705548
B. [redacted]
C. DIRECTOR 701346
D. [redacted]

1. UNO/FDN AIR ARM SUCCESSFULLY DROPPED BEACON AND TWO RADIOS TO [redacted]

ALONG WITH THE RADIO/BEACON PACKAGE, UNO/FDN DROPPED [redacted] OF LETHAL SUPPLIES. [redacted]

2. [redacted]

3638

Partially Declassified/Released on 18Aug87 under provisions of E.O. 12356 by B. Reger, National Security Council

Partially Declassified/Released on 18Aug87 under provisions of E.O. 12356 by B. Reger, National Security Council

3

6

FOR FILE

Radio

UNCLASSIFIED

UNCLASSIFIED

```
--------------------------------------------------------------------------------
86 9698482 ASO                    PAGE 002
                                  TOR: 2[redacted] JAN 86          IN 9698482 [redacted]
[redacted]
--------------------------------------------------------------------------------
3. [redacted]
```

3166

```
     5.  NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.
END OF MESSAGE                              SECRET
```

REVIEWED FOR RELEASE
Date 1 Apr 87
HSCI SSC

SECRET

UNCLASSIFIED

SECRET
UNCLASSIFIED

[redacted]

[redacted]
OUTGOING

86 9602504 ASP PAGE 001
TOT: 17[redacted]JAN 86 DIRECTOR 694861

STAFF 17[redacted]DIRECTOR 694861
TO: PRIORITY [redacted]

C 3167

SUBJECT: [redacted]

REF: DIRECTOR 687009

1. ONE OF REF BEACONS IS INTENDED FOR USE IN AIR OPERATIONS TO [redacted] DROP ZONE. [redacted]

2. THIS BEACON WILL BE A USEFUL NAVIGATION AID TO FUTURE DROPS TO [redacted] ONCE IT IS IN OPERATION.

3. FILE: [redacted] DECL OADR DRV HUM 4-82. ALL SECRET [redacted]

ORIG: [redacted] AUTH: [redacted] COORD: [redacted]; REL:
C/LA/CATF [redacted] CL BY [redacted]

END OF MESSAGE SECRET

3638a

Partially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by [illegible] National Security Council

A

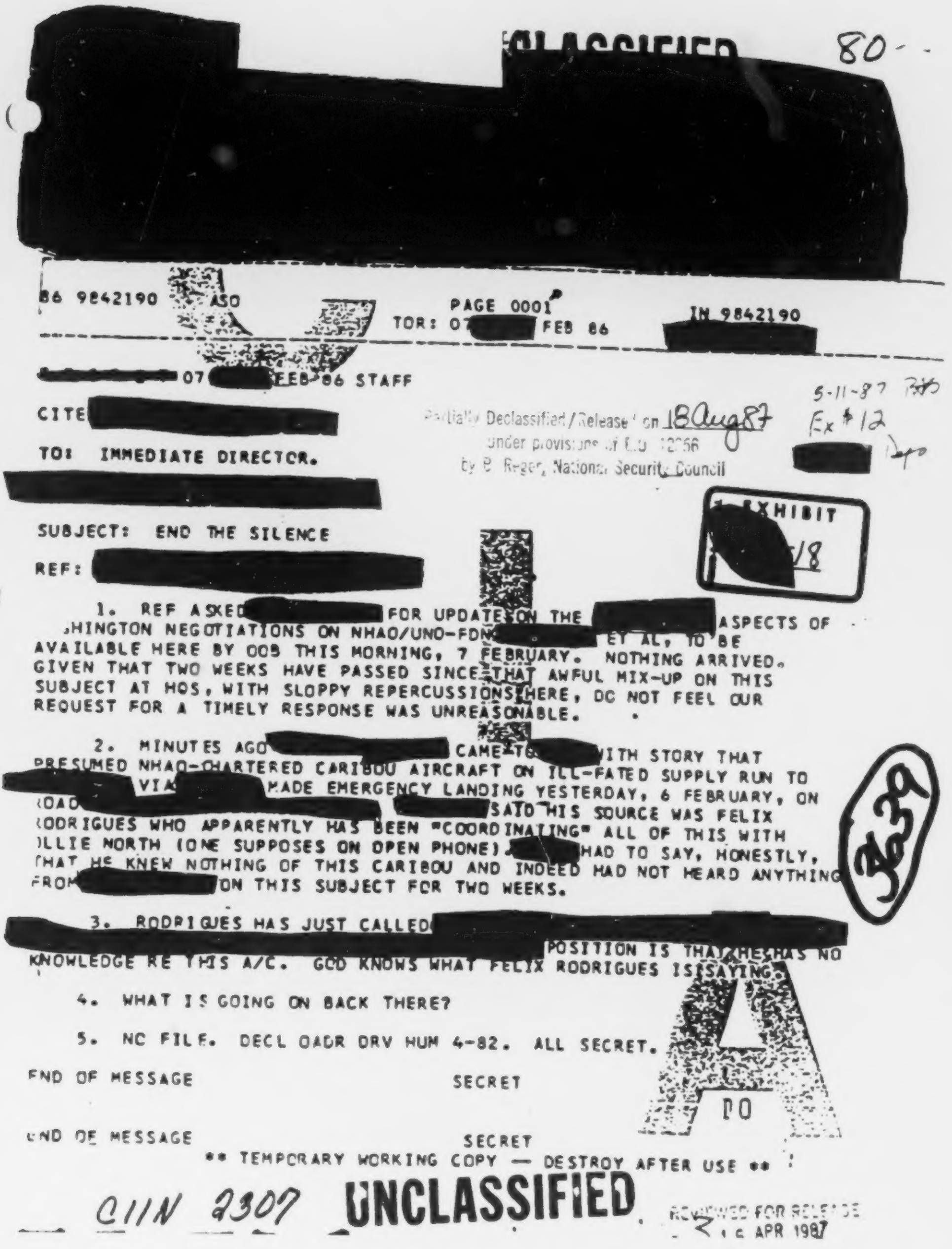
3A
68

UNV/FDN

UNCLASSIFIED

REVIEWED FOR RELEASE
~~HSC/SSC~~ [illegible]

## EXHIBIT C/CATF-18



[redacted] 80- -

86 9842190 ASO PAGE 0001 IN 9842190 [redacted]
TOR: 07[redacted] FEB 86

[redacted] 07[redacted] FEB 86 STAFF

CITE [redacted]

Partially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

5-11-87
Ex # 12
[redacted] Depo

TO: IMMEDIATE DIRECTOR.

[redacted]

EXHIBIT [redacted] 18

SUBJECT: END THE SILENCE

REF: [redacted]

1. REF ASKED [redacted] FOR UPDATES ON THE [redacted] ASPECTS OF
HINGTON NEGOTIATIONS ON NHAO/UNO-FDN [redacted] ET AL, TO BE
AVAILABLE HERE BY 009 THIS MORNING, 7 FEBRUARY. NOTHING ARRIVED.
GIVEN THAT TWO WEEKS HAVE PASSED SINCE THAT AWFUL MIX-UP ON THIS
SUBJECT AT HQS, WITH SLOPPY REPERCUSSIONS HERE, DO NOT FEEL OUR
REQUEST FOR A TIMELY RESPONSE WAS UNREASONABLE.

2. MINUTES AGO [redacted] CAME TO [redacted] WITH STORY THAT
PRESUMED NHAO-CHARTERED CARIBOU AIRCRAFT ON ILL-FATED SUPPLY RUN TO
[redacted] VIA [redacted] MADE EMERGENCY LANDING YESTERDAY, 6 FEBRUARY, ON
OAD [redacted] SAID HIS SOURCE WAS FELIX
ODRIGUES WHO APPARENTLY HAS BEEN "COORDINATING" ALL OF THIS WITH
LLIE NORTH (ONE SUPPOSES ON OPEN PHONE). [redacted] HAD TO SAY, HONESTLY,
HAT HE KNEW NOTHING OF THIS CARIBOU AND INDEED HAD NOT HEARD ANYTHING
FROM [redacted] ON THIS SUBJECT FOR TWO WEEKS.

3639

3. RODRIGUES HAS JUST CALLED [redacted] POSITION IS THAT HE HAS NO
KNOWLEDGE RE THIS A/C. GOD KNOWS WHAT FELIX RODRIGUES IS SAYING.

4. WHAT IS GOING ON BACK THERE?

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE SECRET

A
DO

END OF MESSAGE SECRET

** TEMPORARY WORKING COPY — DESTROY AFTER USE **

C11N 2307 UNCLASSIFIED

REVIEWED FOR RELEASE
APR 1987

## EXHIBIT C/CATF-19

JNCLASSIFIED

SECRET

[redacted]

C 8831

86 9994 [redacted] ASO

PAGE 0001
TOT: 21 [redacted] FEB 86 DIRECTOR 746773

~~S E C R E T~~
STAFF 21 [redacted] DIRECTOR 746773
TO: IMMEDIATE [redacted]

3640

EXHIBIT
[redacted] 19

SUBJECT: STATUS OF NHAO L-100 RESUPPLY [redacted] LIGHTS

REF: A [redacted]
B. DIRECTOR 742890

1. REF A PARA 2 FLIGHT SCHEDULE ING SET UP FOR TUES 25 FEB. L-100 AIRCRAFT WILL NOT BE AV E UNTIL THE AFTERNOON OF MONDAY 24 FEB. IT WILL P TO NEW ORLEANS TO BE LOADED FOR A 25 FEB DEPARTURE TO FL A PARA 2 SCHEDULE ON 25 FEB.

2. FOR [redacted] PER PARA 6 REF A REQUEST YOU COORDINATE CLEARANCES AND APPROVALS WITH UNO/FDN AND REF A PARA 6 B CARGO FOR LOADING CIRCA 1200 HRS [redacted]
[redacted]

3. REF B PARA 4 NHAO RESTRICTIONS ON 10 PER CENT LETHAL MATERIEL DOES NOT PRESENT A BLANKET AUTHORITY TO SHIP 10 PERCENT LETHAL MATERIEL ON NHAO FLIGHTS. NORMALLY THE DC-6 WHICH IS CONTRACTED FOR BY UNO/FDN OR THE C-47 WHICH IS OWNED BY UNO/FDN WILL HAVE TO BE USED FOR MOVEMENT OF LETHAL MATERIELS BY AIR. AS STATED IN REF B PARA 4 TEN PERCENT LETHAL CAN BE JUSTIFIED BY NHAO IF IT IS IMPRACTICAL OR DANGEROUS TO SHIP LETHAL MATERIEL BY OTHER MEANS. IF [redacted] ANTICIPATES MOVING LETHAL MATERIEL VIA NHAO CONTRACT AIRCRAFT, PRIOR APPROVAL FROM NHAO WILL HAVE TO BE OBTAINED.

IN VIEW OF NHAO'S STRONG FEELINGS ON CARRYING LETHAL MATERIEL UNLESS ABSOLUTELY NECESSARY DO NOT WISH TO LOAD 10 PERCENT LETHAL ON 25 FEB L-100 FLIGHT [redacted]

4. PER REF A PARA 3 THE ABOVE APPLIES TO NHAO C-7 FLIGHTS. THE C-7 WILL INITIALLY HAVE [redacted] CREWS. THESE

A

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

STAFF

---

86 9994278 ASO PAGE 0002

TOT: 21[redacted] FEB 86 DIRECTOR 746773

---

[redacted] CREWS CAN ONLY BE USED FOR RESUPPLY MISSIONS INSIDE [illegible] POSSIBILITY EXISTS OF OBTAINING [redacted] OR OTHER NON [illegible] CREWS AT A LATER DATE FOR MISSIONS INSIDE NICARAGUA. HOWEVER [illegible] THE PRESENT TIME NHAO CAN ONLY PAY FOR THE TRANSPORTATION OF NON-LETHAL SUPPLIES.

C 8832

[illegible] NHAO AGREES TO MOVE THE C-7 AIRCRAFT NOW AT [redacted] TO CARRY OUT PARA 4 ABOVE TYPE MISSION. NHAO WILL INSTRUCT THE OPERATOR TO MOVE THE C-7 TO [redacted] ON 25 FEB.

6. UPON COMPLETION OF 25 FEB MISSION NHAO WILL USE L-100 TO MOVE SUPPLIES ON HAND AT NEW ORLEANS AND MEDICAL SUPPLIES AT DULLES AIRPORT [redacted]

[redacted] (IF [redacted] APPROVAL CAN BE OBTAINED TO ELIMINATE [redacted] STOP EN ROUTE [redacted] IT WILL OBVIOUSLY SAVE FLYING TIME AND ELIMINATE ONE LANDING.) NHAO ESTIMATES 6 TO 8 L-100 TRIPS TO MOVE THESE SUPPLIES AND HOPEFULLY CAN MAKE ONE TRIP EVERY DAY OR EVERY OTHER DAY DEPENDING ON AIRCRAFT AND CREW AVAILABILITY. WILL CONTINUE THE [redacted] FLIGHTS UNTIL ALL SUPPLIES ARE MOVED ARE MOVED[redacted]

7. FILE: [redacted] DECL OA[redacted] HUM 4-82: ALL SECRET.>

ORIG: [redacted]: AUTH: [redacted] COORD: [redacted] REL: C/LA/CATF

CL B[redacted]

END OF MESSAGE SE[redacted]

END OF MESSAGE SECRET

** TEMPORARY WORKING COPY -- DESTROY AFTER USE **

A

C11N3614

UNCLASSIFIED

REVIEWED FOR RELEASE
DATE 15 MAY 1987

## EXHIBIT C/CATF-20

UNCLASSIFIED Dutton 5/27/87 (Deposition)

DCMN STEVENS

Mr. BALLEN. Now, sir, was that mission carried out with the C-7?

Mr. DUTTON. Yes, it was, and it was successful.

Mr. BALLEN. How many missions in July and August, successful missions, were you able to conduct inside of Nicaragua to the southern forces? I take it you testified earlier that the southern force was your main concern in terms of getting armaments and supplies to them.

Mr. DUTTON. Yes, they were our primary concern. We continued to help the north on a regular basis mostly with the C-7s but our critical part of the operation was getting the southern force to be a viable force.

Mr. BALLEN. How many successful operations were you able to conduct with southern forces in July and August, to your knowledge?

Mr. DUTTON. To my knowledge, we only had one.

Mr. BALLEN. Why was that?

Mr. DUTTON. Well, why were we successful or why--

Mr. BALLEN. Why didn't you have more?

Mr. DUTTON. Our successful mission was a repeat of the C 7 mission.

Mr. BALLEN. That was a refueling that again Colonel Nort obtained permission for?

Mr. DUTTON. That is correct. For the C-123 missions, we

3641

Partially Declassified/Released on 18Aug87 under provisions of E.O. 12356 by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT [redacted]-20

flew a number of missions. We would make arrangements with [redacted] to contact the force that we were to drop to, we would get instructions back that they would have three bonfires, in some cases they would even give us a pattern that they were going to be laid out in, we had radio frequencies that we were going to be able to talk to the ground force and if we had to be a little off they could track us right over their heads. These were all conducted as night missions.

We would fly them--these, by the way, are long missions. We are talking seven hour, six and seven hour missions--get down to the drop zone area, there would be no fires, they would fly all over the area trying to make radio contact, there would be no radio contact and it would have been rather wasteful just to throw the load out into a triple canopy jungle, so we brought the load home.

Mr. BALLEN. You mentioned earlier that you were looking for another C-123 aircraft and that you were having--the other C-123 aircraft involved was in an accident.

Was that one of the reasons that you were having problems delivering to the southern forces because of the disability of the C-123 that you had?

Mr. DUTTON. That was part of our problem. We had maintenance problems with the aircraft but when you have only that is going to be part of it.

Another part was we were unable to get weather informatio would be there and talk to us on the radio, if in fact we found the drop zone, and we were certain of it, we would make the drop on the zone, and inform the ground forces that the load was there for them to pick up.

Once they called back to [redacted] and said that, yes, in fact they had found the load, we would know that they knew where that drop zone was, and we could continue to drop without ever coordinating with them.,

All we had to do was go in, make the drop, cal[redacted] and say, ''There is another load on that drop zone, where do you want the next load?''

Mr. BALLEN. Why was this new system devised?

Mr. DUTTON. Because we had--since we were unable to mak contact with the troops on the ground, they seemed to be having a very difficult time being able to tell exactly where they were, they would pass us coordinates, we would fly over the coordinates and they would say we are 10 miles to the south of them.

Mr. BALLEN. These are the southern forces again?

Mr. DUTTON. Yes, it was.

Mr. BALLEN. Now, did Colonel North approve this new method of air drops to the south?

Mr. DUTTON. Yes, he did.

Mr. BALLEN. What were you air dropping at that time?

Mr. DUTTON. Munitions, uniforms, medicine. [redacted] would help me on what were the needs of the various commandantes, and once we got into the operation, he would name pretty much what he wanted on any particular drop zone, and we would shape the loads accordingly.

Mr. BALLEN. Colonel Dutton--Mr. Chairman, now would be an appropriate time to take a recess.

Chairman HAMILTON. The committees will take a 10-minute recess.

[Recess.]

Chairman HAMILTON. The committees will resume their sitting.

Mr. Ballen, you may continue.

Mr. BALLEN. Thank you very much, Mr. Chairman.

When you were last testifying, Colonel Dutton, you were referring to your meeting with Steele and the new system that you, North had approved for air dropping munitions to the contra forces in late August.

Did this enable the number of air drops inside Nicaragua to increase by your organization?

Mr. DUTTON. Starting on about--well, just before I went down, so starting in the beginning of September, we were able to refine this particular method of delivery, and in September, we became very successful as far as flying resupplies to the southern force.

Mr. BALLEN. Did you, in fact, travel down in September?

RPTS STEIN

DCMN GLASSMAP

[11:00 a.m.]

Mr. BALLEN. Colonel Dutton, what was the role of the CIA in your September operations?

Mr. DUTTON. I think in September--I can't say that it wa that much different than at any time. [redacted] was critical to us throughout the operation, and [redacted] remained involved with us throughout the operation. At other times, we would try to enlist [redacted] who was [redacted] in another neighboring country. And he was not helpful sometimes.

In September, he was more helpful to us than he had been before. We got a little more assistance from him as far as intelligence, but nothing of any great significance.

Mr. BALLEN. Let me ask you this question: Could your successful missions in airdrops to the Southern Front in September, could those have been accomplished without [redacted] assistance?

Mr. DUTTON. No way.

Mr. BALLEN. Now, sir, what was the purpose of your increased airdrops in September?

Mr. DUTTON. I think the first--rather than a purpose, it was a result. The fact that we had finally found a way that we could do it, we had the munitions to be delivered, we had

## Exhibit C/CATF-21

UNCLASSIFIED

SECRET

[redacted]

[redacted]

OUTGOING

[redacted]

4774

86 0230895 ASR

PAGE 001

TOT: 15[redacted] MAR 86 DIRECTOR 780844

SECRET

STAFF 15[redacted] DIRECTOR 780844

TO: [redacted]

SUBJECT: NAC-UNO/FARN REQUEST FOR MILITARY SUPPLIES FROM UNO/FDN

REF: A. [redacted]

[redacted]

1. NOTE REF PLANNING TO EXPEDITE AMMUNITION RESUPPLY FOR [redacted] AND [redacted] FORCES. HQS VIEWS THIS AS POSITIVE STEP TO EXPAND NAC FORCES. IF THE AMMUNITION DROP CAN BE MADE WITH THE UNO/FDN AIRCRAFT IT WILL GO A LONG WAY TOWARD PROMOTING UNO/FDN/FARN UNITY.

2. SUGGEST THIS DROP BE [illegible] BY THE FDN TO SPEED UP THE DEVELOPMENT OF NAC FORCES AND [illegible] AS APPROPRIATE.

3. FILE: [redacted] DECL OADR DRV HUM 4-82. ALL SECRET.

ORIG: [redacted] : AUTH: [redacted] ; COORD: [redacted] ; REL: C/LA/CATF

CL BY [redacted]

END OF MESSAGE

SECRET

3642

EXHIBIT [redacted] 21

3

3A

83747

T

NAC/Farn/FDN

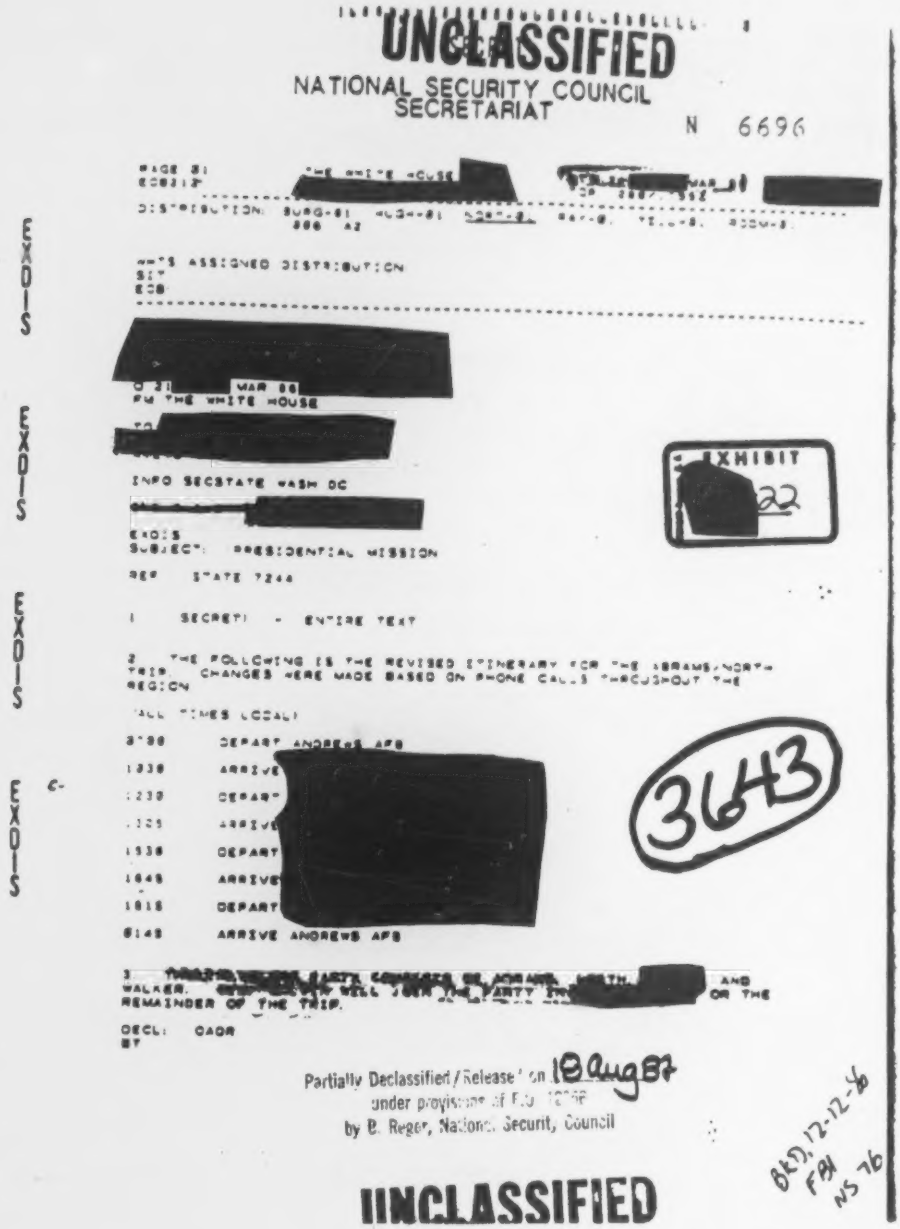
Partially Declassified/Released on 13 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

UNCLASSIFIED

REVIEWED FOR RELEASE

Date 03 ...

# EXHIBIT C/CATF-22



UNCLASSIFIED

NATIONAL SECURITY COUNCIL
SECRETARIAT

N 6696

PAGE 01 THE WHITE HOUSE [redacted] [redacted] MAR 86 [redacted]
EOB212

DISTRIBUTION: BURG-01 MCDA-01 NORT-01 RAY-01 TILL-01 ROOM-01 /006 A2

WHTS ASSIGNED DISTRIBUTION
SIT
EOB

[redacted]
O 21[redacted] MAR 86
FM THE WHITE HOUSE
TO [redacted]
INFO SECSTATE WASH DC
[redacted]
EXDIS
SUBJECT: PRESIDENTIAL MISSION

REF STATE 7244

1 SECRET - ENTIRE TEXT

2 THE FOLLOWING IS THE REVISED ITINERARY FOR THE ABRAMS/NORTH TRIP. CHANGES WERE MADE BASED ON PHONE CALLS THROUGHOUT THE REGION

(ALL TIMES LOCAL)

0700 DEPART ANDREWS AFB
1030 ARRIVE [redacted]
1230 DEPART
1325 ARRIVE
1530 DEPART
1645 ARRIVE
1815 DEPART
0145 ARRIVE ANDREWS AFB

3. [redacted] PARTY CONSISTS OF ABRAMS, NORTH, [redacted] AND WALKER. [redacted] WILL JOIN THE PARTY IN [redacted] OR THE REMAINDER OF THE TRIP.

DECL: OADR
BT

EXDIS EXDIS EXDIS EXDIS

EXHIBIT [redacted] 22

3643

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

BKD 12-12-86
FBI
NS 76

UNCLASSIFIED

# EXHIBIT C/CATF-23

UNCLASSIFIED

~~TOP SECRET~~

EXHIBIT
[redacted] 23

3644

Copp: 3/24/86 1100

241520Z Mar 86. Ralph should have held discussions with [redacted] by now re L-100 drop to Blackies troops. If you have lined up Rob Owen to go to [redacted] on the L-100, suggest you call [redacted] secure and ensure he does all possible get load released from [redacted] -- also emphasize we ought to drop something besides 7.62, e.g., grenades, medical supplies, etc. I will be at [redacted] office for next three hours. Regards, Dick. BT

[redacted] order 7.62 37
kids 7.62 51
M-26
ammo Grenade launcher (M-79)
ammo [illegible]

[illegible] to [redacted] + [redacted]
[illegible]

[illegible]

Comms
[redacted] contra on air
waiting
will confirm
Ralph to go to [redacted]
to [illegible]
[redacted] link w/ [illegible]
[illegible]

Problem
SFS attack on [illegible]
- [illegible]

Link between [redacted] & FDN

UNO S - Code
[redacted] ENCRYPT TO [redacted]
[illegible] RE [illegible]
TO/FROM [redacted]

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

~~TOP SECRET~~

UNCLASSIFIED

ETA for

[illegible]

620

UNCLASSIFIED

3644a

Copp: 3/27/86 1130

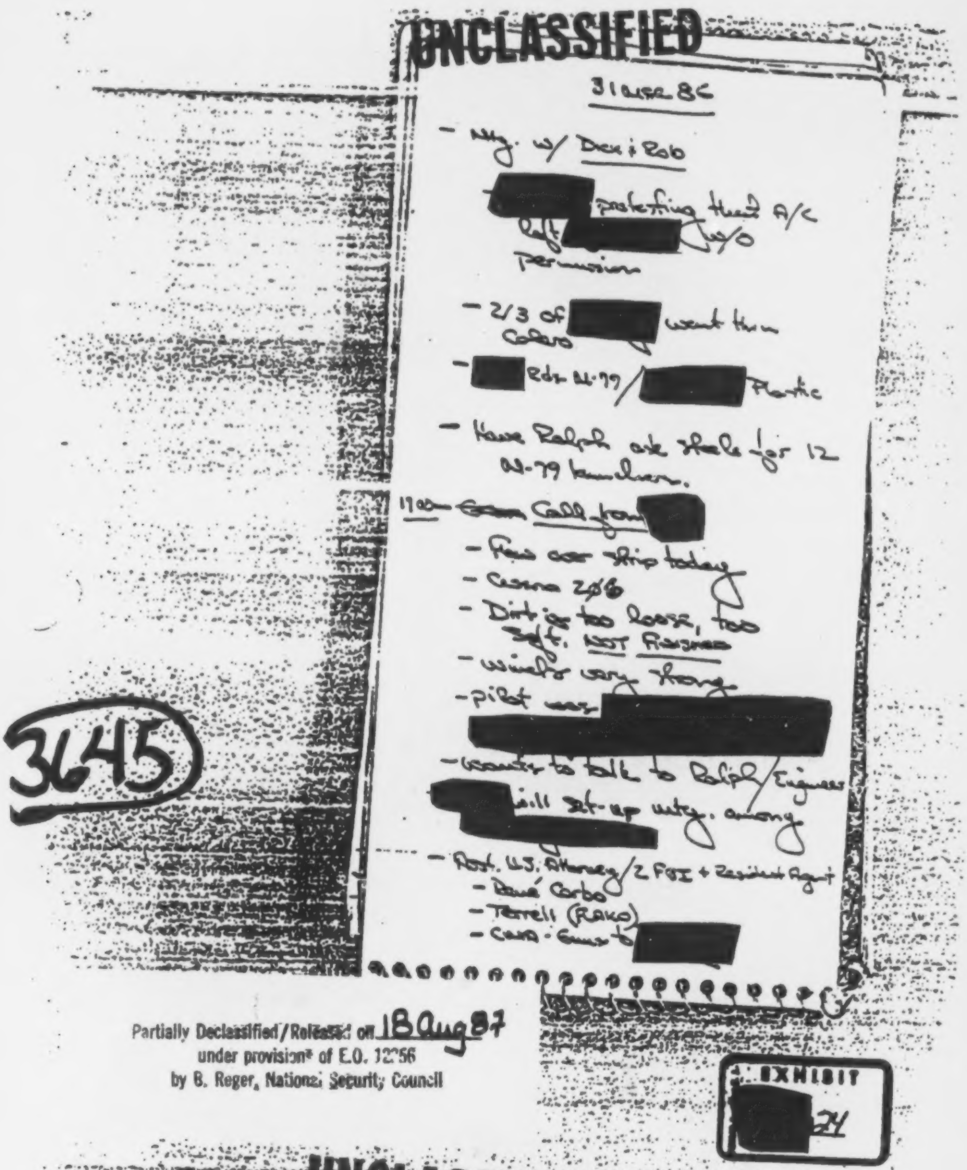
Part 1: 271555Z Mar 86. L-100 is returning to MIA fm [redacted] Apparently, Rob and you are trying to work up clean out of [redacted] but L-100 must come home. Toom many cooks in this broth and Gadd and Sat very unhappy. Ralph talked to Romano at [redacted] or [redacted] -- not sure which -- yesterday at 1400L. Romano said FDN totally unaware of any agreement to send anything to Blackies troops. FDN needs all its stuff for itself. This e mess is result of incompetence on CIA part or worse. [redacted] co. ues to express surprise. Meanwhile, my ability to sell this type MSN continues to erode because of lack of professionalism. This cannot be totally attributed to recent combat since [redacted] claims deal was put together long ago.

N133
12/1/86
KJ

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

## EXHIBIT C/CATF-24



UNCLASSIFIED

31 Aug 86

- Mtg. w/ Dick & Rob
  - [redacted] protesting that A/C left [redacted] w/o permission
  - 2/3 of [redacted] went thru Calero
  - [redacted] Rdz AA-79 / [redacted] Plastic
  - Have Ralph ask [illegible] for 12 AA-79 launchers.

1700 – ~~[illegible]~~ Call from [redacted]

- Flew over strip today
- Cessna 206
- Dirt is too loose, too soft. NOT finished
- winds very strong
- pilot was [redacted]
- wants to talk to Ralph/Engineer
- [redacted] will set-up mtg. among [redacted]
- Asst. U.S. Attorney/2 FBI + Resident Agent
  - René Corbo
  - Terrell (RAKO)
  - Cont. - Guns to [redacted]

3645

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
[redacted] 24

UNCLASSIFIED

75 938

Exhibit C/CATF-25

UNCLASSIFIED

[redacted]

86 0478[redacted]ASO PAGE 0001 IN 0478048
TOR: [redacted] ~~APR 86~~ [redacted]

---

~~S E C R E T~~ 08[redacted]APR 86 STAFF **UNCLASSIFIED**

C 0835

CITE [redacted]

TO: IMMEDIATE DIRECTOR INFO [redacted]

[redacted]

SUBJECT: REQUEST FOR VECTORS/FLIGHT P[redacted]

1. ACTION REQUIRED: SEE BELOW.

2. UNO/FARN IS EXPECTING A RESUP[redacted]DROP OF LETHAL MATERIEL TO THE NACS DURING THE WEEK O[redacted]PRIL. NACS ADVISED THAT THE DROP ZONE (DZ) IS LOCATED AT [redacted]FOLLOWING COORDINATES: [redacted] THE AIRCAFT IS SCHEDULED TO ENTER NICARAGUA FROM THE[redacted]AST; IN THAT CONTEXT IT IS REQUESTED THAT HQS PROVIDE VECTO[redacted]D FLIGHT PATH FOR USE BY FLIGHT CREW. THIS DZ IS LOCATED SEVERAL KILIOMETERS FROM AND SLIGHTLY SOUTH OF THE DZ USED DURING THE NON-LETHAL 6 MARCH DROP. PLEASE ADVISE PRIOR TO COB 8 APRIL.

3. FILE: [redacted] DECL OADR DRV HUM 4-82.

END OF MESSAGE ~~SECRET~~

END OF MESSAGE ~~SECRET~~

** TEMPORARY WORKING COPY -- DESTROY AFTER USE **

3646

tially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
[redacted]25

A

C/IN 36116

UNCLASSIFIED

REVIEWED FOR RELEASE
DATE 15 MAY 1987

UNCLASSIFIED

[redacted]

ODOCO

FRP: ,2, , , ,

[redacted] STAFF

C 4719

PAGE 001

TOR: 10[redacted]APR 86

IN 0511736

[redacted]

~~SECRE~~T 1[redacted] APR 86 STAFF

CITE [redacted]

TO: FLASH DIRECTOR INFO IMMEDIATE [redacted]

SUBJECT: REQUEST FOR INTELLIGENCE UPDATE

REF: DIRECTOR 817901

1. UNO/SOUTH FORCES ARE EXPECTING A LETHAL RESUPPLY AIRDROP AT 0030 HOURS LOCAL 11 APRIL. REQUEST HQS ADVISE ANY INTELLIGENCE AVAILABLE WHICH WOULD EFFECT DROP PER REF FLIGHT PATH INFORMATION. REQUEST RESPONSE BY 1700 HOURS LOCAL THIS DATE.

2. FILE: [redacted] DECL OADR DRV HUM 4-82.

END OF MESSAGE

Reqst sent

REVIEWED FOR RELEASE
Date 03 [illegible]
Hsc SSc

UNCLASSIFIED

3 3

~~620~~

## EXHIBIT C/CATF-26

UNCLASSIFIED

3647

[redacted]

The unit to which we wanted to drop in the southern quadrant of Nicaragua is in desperate need of ordnance resupply. We had planned to do a material drop from the supplies we are bringing into [redacted] but the units - headed by [redacted] [redacted] cannot wait. Have therefore developed an alternative plan which [redacted] has been briefed on and in which he concurs. The L-100 which flies from [redacted] to [redacted] on Wednesday should terminate it's NHAO mission on arrival at [redacted] At that point it should load the supplies at [redacted] which - theoretically [redacted] is assembling today at [redacted] - and take them to [redacted] These items should then be transloaded to the C-123 after being properly rigged. On any night between Wednesday, Apr 9, and Friday, Apr 11 these supplies should be dropped by the C-123 in the vicinity of [redacted] [redacted] The A/C shd penetrate Nicaragua across the Atlantic Coast shouth of [redacted] Call signs freqs and zone marking light diagram to be provided to Ralph at [redacted] by the new UNO Sur operator we are taking care of. Hope we can make this happen the right way this time. If we are ever going to take the pressure off the northern front we have got to get this drop in - quickly. Please make sure that this is retransmitted via this channel to [redacted] Ralph, Sat and Steele. Owen already briefed and prepared to go w/ the L-100 out of [redacted] if this will help. Please advise soonest.

Warm regards,

Goode

BT

18 Aug 1987

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356

UNCLASSIFIED

EXHIBIT
[redacted]-26

75 9[illegible]8 ~~C61~~

UNCLASSIFIED

~~[illegible]~~)

082330Z Apr86. CIA and Goode report [redacted] troops in south in desperate fix. THerefore, [redacted] is supposed to arrange for a load to come from [redacted] to [redacted] via L100 tomorrow afternoon. This is to include chutes and other drop gear. Notify Steele we intend to drop tomorrow nite or more likely Thurs nite. Commo man is coming via commercial tomorrow with gear necessary to put our HF network on air. Meanwhile, contact [redacted] via this machine and get latest on DZ coordinates and the other data I gave you the format for. Pls start coordination now. I want to use the L100 not the C123 for this 1st mission. [redacted] will bring the C123K in tomorrow and will then be the captain on the L100 for the drop. CIA wants the aircraft to enter the DZ area from the Atlantic. This is O.K. but tell [redacted] to exit via [redacted] if he wants to--all black of course.

BT

UNCLASSIFIED

TO. Corp **UNCLASSIFIED** 75 9.8 ~~662~~

April 09 0910. All coordination with [redacted] for UNO South forces droping done for Thurs. nite. Also commo operator with OTP only waiting HQS/Wash final approval to be sended. We will pay transporation and upkeep in here they cover family there. New subject. Forseing direct confrontation FDN rep here. Claims warehouse theirs and anything brought in has to have his approval to be moved out. Claims [redacted] orders. Don't repeat Don't accept Uno concept but only Fdn as military force. We might have to remove him permanently from [redacted] for 707. Advice your opinion..which airline our commo man is arriving today? If loaded needs our help at customs.

BT

**UNCLASSIFIED**

✓

~~TOP SECRET~~ UNCLASSIFIED 75 9:8 ~~163~~

Copp: 4/9/86 1745

092215Z Apr 86.

1. L-100 still not [redacted] at 1715 EST. C-123K and L-100 special drop crew in place at [redacted] and are prepared to make drop yet tonight, if miracle occurs and L-100 makes it into [redacted] in next few hours with chutes, rigging, and ordnance as well as good in-commission status. C-123K is ready and mission capable. Ralph is in good contact with me via KL-43.

2. [redacted] also in contact with Ralph via KL-43 and is passing current intelligence for drop crew.

3. Ralph reports they have solved [redacted] problem -- don't know whether they shot him, paid him, ejected him or what.

4. Mr. Moses fixed good recorder on my phone for [redacted] if and when he ever calls again. Allah Akbar. Dick. BT

2000

Apr 9 - 1700. Confirmed arrival [redacted] of L-100 w/ load of [redacted]

Confirming Drop
Friday 11 Apr. 063[illegible]

[redacted] Knives
Compasses
Boulder Ready to chute

7.62 x 51
7.62 x 39
7.62 Link
M-79 Ammo
RPG 7 Rds
M963
RPG 7 Launch
M-79 Launchers
G-3 [illegible]
MAGs

~~TOP SECRET~~ UNCLASSIFIED

[illegible]596

## EXHIBIT C/CATF-27

UNCLASSIFIED

[redacted]

INCOMING

5470

86 0527564 ASO PAGE 001 [redacted]0527564
TOR: 1[redacted]APR 86 [redacted]

~~S E C R E T~~ [redacted] APR 86 STAFF

CITE [redacted] ACTING)

TO: IMMEDIATE DIRECTO[redacted]

[redacted]

SUBJECT: NIGHT FLIGHT BY NHAO L-100

1. THE FOLLOWING IS FYI ONLY. THE 9 APRIL NHAO L-100 ARRIVED [redacted] AFTERNOON OF 9 APRIL FOR WHAT WAS DESCRIBED AS A TWO DAY STAY BY NHAO CONTRACTORS. EVENING 9 APRIL C/USMILGRP INFORMED [redacted] THAT THERE WAS A POSSIBILITY THIS AIRCRAFT WOULD BE USED FOR NIGHT RESUPPLY MISSIONS TO THE SOUTHERN FRONT. [redacted] HAD NO INFORMATION REGARDING THE USE OF THIS AIRCRAFT FOR RESUPPLY MISSIONS IN THE SOUTHERN FRONT. EARLY MORNING 11 APRIL [redacted] THE NHAO L-100 DEPARTED [redacted] HOURS LOCAL 10 APRIL AND RETURNED DURING EARLY MORNING HOURS OF 11 APRIL. [redacted] THE AIRCRAFT WAS CARRYING AN UNDETERMINED AMOUNT OF LETHAL SUPPLIES AND THAT HE HAD NO IDEA WHAT THE PURPOSE OF THE MISSION WAS. [redacted] RECEIVED NO INFORMATION FROM FUN HOST [redacted] RE THIS AIRCRAFT AND [redacted]

2. [redacted] FINDS ABOVE ACTIVITY UNUSUAL SINCE THERE WAS NO PRIOR COORDINATION WITHIN [redacted] CHANNELS. QUERY DIRECTOR IF THERE HAS BEEN A CHANGE IN POLICY RE NHAO INVOLVEMENT IN RESUPPLY OF THE CONTRAS IN CENTRAL AMERICA. [redacted] WILL KEEP ADDEES INFORMED OF FURTHER DEVELOPMENTS AND REQUEST ADDEES COMMENTS. PLEASE ADVISE.

3. ONE NHAO C-123 [redacted] ARRIVED [redacted] 1245 LOCAL 9 APRIL FOR SUPPORT OF CARGO TRANSPORT [redacted] AGAI[redacted] DOES NOT KNOW WHEN THIS AIRCRAFT WILL BE DEPLOYING TO [redacted] WILL ADVISE.

4. FILE: [redacted] DECL OADR DRV HUM 4-82.
END OF MESSAGE ~~SECRET~~

EXHIBIT
[redacted] 27

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3A

A

83662

Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

DO

CIIN 2008

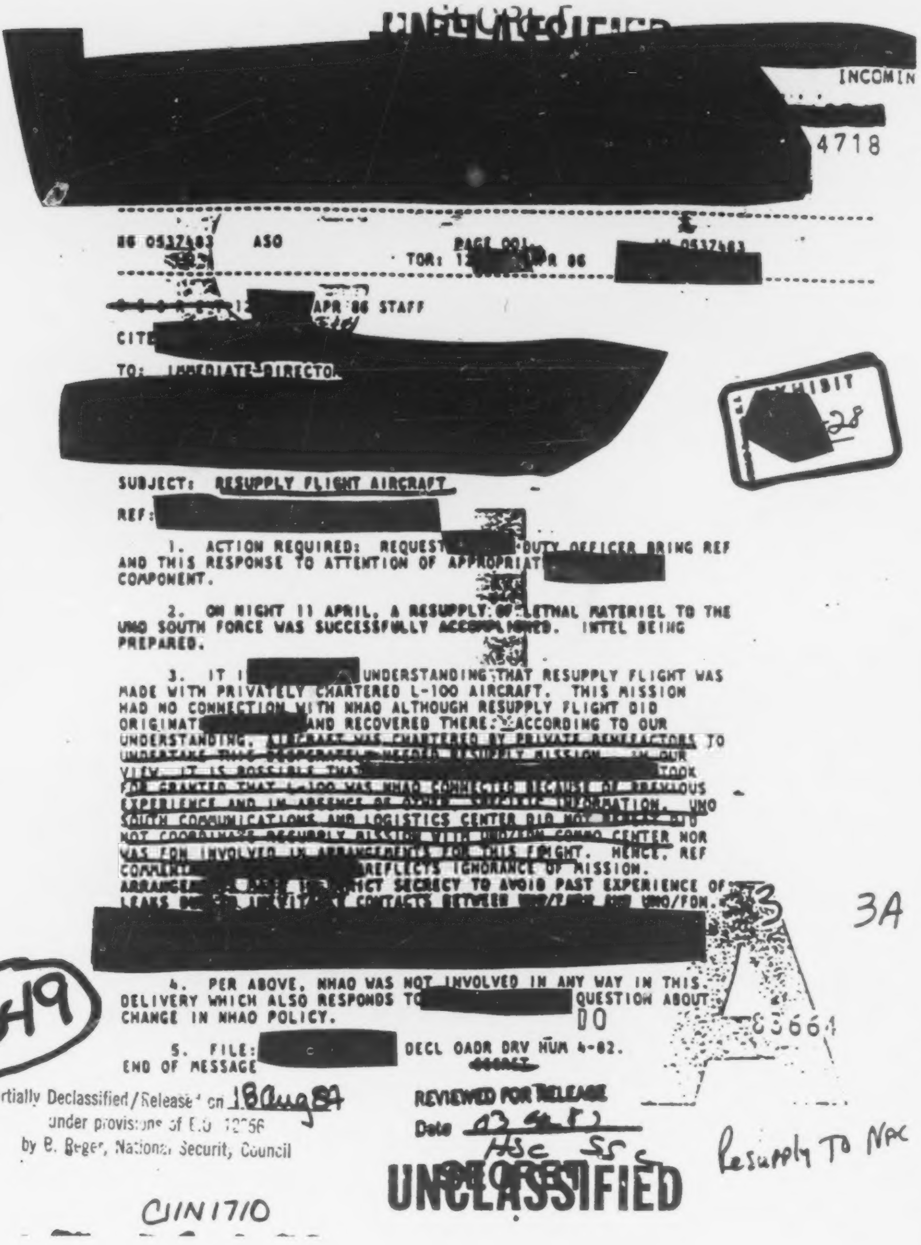
(3648)

REVIEWED FOR RELEASE
Date 03 apr 87
HSC SS

~~SECRET~~
UNCLASSIFIED

L-100 Flight

## EXHIBIT C/CATF-28



~~SECRET~~ UNCLASSIFIED

[redacted]

INCOMIN

4718

86 0537483 ASO PAGE 001 IN 0537483
TOR: 12[redacted]APR 86 [redacted]

~~S E C R E T~~ 12[redacted]APR 86 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR [redacted]

EXHIBIT [redacted] 28

SUBJECT: RESUPPLY FLIGHT AIRCRAFT

REF: [redacted]

1. ACTION REQUIRED: REQUEST [redacted] DUTY OFFICER BRING REF AND THIS RESPONSE TO ATTENTION OF APPROPRIATE [redacted] COMPONENT.

2. ON NIGHT 11 APRIL, A RESUPPLY OF LETHAL MATERIEL TO THE UNO SOUTH FORCE WAS SUCCESSFULLY ACCOMPLISHED. INTEL BEING PREPARED.

3. IT I[redacted] UNDERSTANDING THAT RESUPPLY FLIGHT WAS MADE WITH PRIVATELY CHARTERED L-100 AIRCRAFT. THIS MISSION HAD NO CONNECTION WITH NHAO ALTHOUGH RESUPPLY FLIGHT DID ORIGINATE [redacted] AND RECOVERED THERE. ACCORDING TO OUR UNDERSTANDING, AIRCRAFT WAS CHARTERED BY PRIVATE BENEFACTORS TO UNDERTAKE THIS DESPERATELY NEEDED RESUPPLY MISSION. IN OUR VIEW, IT IS POSSIBLE THAT [redacted] TOOK FOR GRANTED THAT L-100 WAS NHAO CONNECTED BECAUSE OF PREVIOUS EXPERIENCE AND IN ABSENCE OF OTHER SPECIFIC INFORMATION. UNO SOUTH COMMUNICATIONS AND LOGISTICS CENTER DID NOT [illegible] DID NOT COORDINATE RESUPPLY MISSION WITH UNO/FDN COMMO CENTER NOR WAS FDN INVOLVED IN ARRANGEMENTS FOR THIS FLIGHT. HENCE, REF COMMENT [redacted] REFLECTS IGNORANCE OF MISSION. ARRANGE[redacted] STRICT SECRECY TO AVOID PAST EXPERIENCE OF LEAKS [illegible] INEVITABLE CONTACTS BETWEEN [illegible] AND UNO/FDN. [redacted]

3A

4. PER ABOVE, NHAO WAS NOT INVOLVED IN ANY WAY IN THIS DELIVERY WHICH ALSO RESPONDS TO [redacted] QUESTION ABOUT CHANGE IN NHAO POLICY.

DO

83664

3649

5. FILE: [redacted] DECL OADR DRV HUM 4-82.
END OF MESSAGE ~~SECRET~~

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 03 Sep 87
HSC SSC

Resupply To NAC

~~SECRET~~ UNCLASSIFIED

C/IN 1710

## EXHIBIT C/CATF-29

[redacted] 4/12/86 1200 UNCLASSIFIED

1030 hours local April 12. Per UNO South Force, drop successfully completed in 15 minutes. Force requested to send full report/ inventory. When told, [redacted] almost cried in grateful appreciation. Our plans during next 2-3 weeks includes air drop [redacted] maritime deliveries NHAO supplies to same, NHAO air drop to UNO South, but w/certified air worthy aircraft, lethal drop to UNO South, [redacted] visit to UNO South Force with photogs, UNO newspapers, caps and shirts, and transfer of 80 UNO/FARN recruits [redacted] carrying all remaining cached lethal materiel to join UNO South Force. My objective is creation of 2,500 man force which can strike northwest and link-up with quiche to form solid southern force. Likewise, envisage formidable opposition on Atlantic Coast resupplied at or by sea. Realize this may be overly ambitious planning but with your help, believe we can pull it off.

New subject. AFP story appeared in morning paper [redacted] on U.S. attorney south Florida investigation arms, drugs traffic involving insurgents and U.S. sympathisizers. Terrell, CMA named. Focus on Mar 1985 shipment ft. Lauderdale [redacted] via [redacted]

650

New subject. Ref Cruz split. Why not offer Cruz provisional presidency in secret agreement signed by principals?

Regards, DV. BT

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
[redacted] 29

~~TOP SECRET~~ ~~TOP SECRET~~ 75 938 ~~487~~

UNCLASSIFIED

[redacted] 4/15/86 · 2000

Delivered to [redacted] by 707 yesterday is a plane load of ordnance for your friends. Ammo aboard includes [redacted] rds of 7.62 x 39 and a like amt of 51. Also have [redacted] M-26 hand grenades, ancillary items for the C-4 plastic explosives -- blastic caps, det cord, etc., and [redacted] light machine gunds w[redacted] rds of linked ammo and a [redacted] anti-personnel mines for use in ambushes. When and where do you want this stuff. We are prepared to deliver as soon as you call for it. Is there an UNO/FARN communicator being placed in [redacted] If so, please have this guy coordinate with Ralph so that we have things wired together. Also wish to note my guys are flying without any intel. Can we do something about getting them the radar profiles of Nic AAA radars, etc. BT

36502

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

~~TOP SECRET~~ ~~TOP SECRET~~

UNCLASSIFIED

632 ~~628~~
~~[illegible]~~

UNCLASSIFIED FM: Rifle 75 9.8 ~~068~~

April 23 1300 Costa Rica. Met with w [redacted] this morning.

1- [redacted] Ops postpone, no future date yet.

2- Drop to 20 Indians in C. Rica reschedule for nite drop but still for end of this week. Evaluate if possible giving range C7, distance to CR[redacted] and lack of ilumination [redacted] Will need keg lights for this.

3- Maule run test accomplish. No reports from air crew yet but ground reports success.

4[redacted] and [redacted] officially dismissed from post as May 8th. Ambassador and w [redacted] strongly working at it. Results might be sign of our future with new administration.

5- w [redacted] estimated time for big drop with L100 to Indians is 10 to 15 days after we accomplish the 20 Indians drop in C.R. phase.

w [redacted] intel contradict that of Goode. Examp[redacted]

BT

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3650b

[illegible] Released on 18 Aug 87
[illegible] of E.O. 12356
[illegible] National Securit, Council

UNCLASSIFIED

UNCLASSIFIED 76 9.8 (69

Copp: 5/2/86 1845 This just received from Ralph. I understand it all, think you probably will:

May 02 1600 hrs. [redacted]

1. We have 20 men equipment from [redacted] No problem. [redacted] delayed operation because lack [redacted] [redacted] are being sended here for us to take them to strip other than ours, then we proceed with ops.

2. All 90 drums transferred to west together with support equipment. C-123 made three successful runs without problem.

3. Successful in convincing [redacted] and [redacted] on need to keep [redacted] here, all we need now is the rifles and support weapons.

4. Agency hqrs backed up on we controlling UNO commo man they want him at [redacted] with [redacted] and different pad but using Lopez radio. [redacted] says not to fight it.

5. Request approval to send C-123 to [redacted] to work as we don't have any use for it here right now. Will keep caribu here for west support when needed. Advice.

6. U.S. LTCOL [redacted] nominated for mil group commander for [redacted] can open us the door there with [redacted] new military top. In very good relation with [redacted] [redacted] If we or Ollie can help him he can be our Steele there. BT

634

UNCLASSIFIED ~~SECRET~~

3650c

Partially Declassified/Released on 18 Aug 88
under provisions of E.O. 12356
by B. Reger, National Security Council

## EXHIBIT C/CATF-30-1

UNCLASSIFIED

[redacted] C/LA/SANCS INCOMING

FRP: ,2, . . . . .

[redacted]

4708

PAGE 001
TOR: 03[redacted] MAY 86 IN 0762236 [redacted]

S E C R E T 03[redacted] MAY 86 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR INFO PRIORITY [redacted]

[redacted]

SUBJECT: [redacted] MEETING WITH THE NAC'S

REF: DIRECTOR 852872

EXHIBIT [redacted] 30-1

1. ACTION REQUIRED: PLEASE ENSURE THAT INFORMATION BELOW IS BROUGHT TO ATTENTION OF [redacted]

2. [redacted]

3. THE MEETING IS BEST DESCRIBED AS POSITIVE. [redacted] WAS FORTHRIGHT IN PRESENTING [redacted] OBJECTIVES: THE EXPANSION OF THE MILITARY CAPABILITY IN THE SOUTHERN FRONT AS AN EFFECTIVE COORDINATED FORCE [redacted] THE [redacted] AUDIENCE WAS ADVISED MORE SPECIFICALLY, THAT THE OBJECTIVES OF [redacted] LEADERSHIP RE A SOUTHERN FRONT FORCE ARE TO SEE OFFENSIVE COMBAT ACTIONS GUARANTEED, VIA REGULAR LOGISTICS (LETHAL AND NON-LETHAL) RESUPPLY; RESUPPLY MISSIONS TIED TO EFFECTIVE OFFENSIVE COMBAT ACTIONS AND RESULTING IN AFTER-ACTION REPORTS; AND RECOGNITION OF [redacted] SUPPORT OF [redacted] AS COORDINATOR FOR THE SOUTHERN FRONT. [redacted]

3716

4. THE APPARENT SERIOUSNESS OF THE COMMANDERS CONCERNING

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

73 9.8 —(7)

REVIEWED FOR RELEASE
Date 03 87
HSC SSC

SECRET

UNCLASSIFIED

3

NACs 635
3A ~~631~~
[redacted] 583

~~SECRET~~ UNCLASSIFIED 75 9.8 ~~475~~

[redacted] [redacted]

PAGE 002 IN 0762236
TOR: 03[redacted] MAY 86 [redacted] C 4709

THEIR "MISSION" WAS INDEED IMPRESSIVE. ALL AGREED THAT IT IS TIME TO SETTLE THE MATTER OF POLITICAL ALLIANCE ONCE AND FOR ALL. [redacted] DETERMINED TO CONTINUE THE FIGHT AND LAY ASIDE POLITICS). RAISED THE ISSUE OF [redacted] AND THE POSSIBILITIES OF [redacted] GOING INSIDE. [redacted] WAS REMINDED OF THE MANY TIMES [redacted] HAS MADE SUCH A PROMISE ONLY TO BE BROKEN OVER AND OVER AGAIN [redacted] OFFER TO SUPPLY ANYONE "FIGHTING FOR THE DEMOCRACY OF NICARAGUA" STILL APPLIES BUT THAT [redacted] WILL NOT RPT NOT SUPPLY ONE IOTA OF MATERIEL IN [redacted] ENCOURAGED THE COMMANDERS NOT TO BE FOOLED BY POLITICAL PROMISES AND DREAMS (IMPLICITLY REFERRING TO [redacted] AND [redacted], BUT TO GO WITH [redacted] ACTUAL OFFER FOR CONTINUED | A SENSITIVE SOURCE SUPPORT IN AND OUT OF NICARAGUA.

5. THE COMMANDERS WERE AVID LISTENERS. [redacted] AND [redacted] WERE THE ONLY ONES WHO EXPRESSED CONCERN ABOUT CONTINUED LETHAL AND NON-LETHAL DELIVERIES. ~~IN THE NAME OF~~ [redacted] ~~A RESUPPLY OF AMMUNITION WAS PROMISED, TO BE FOLLOWED BY A DROP OF MEDICINE AS SOON AS THE NAC'S ARE BACK INSIDE.~~ [redacted] (NOTED THAT NONE OF THE MEDICINE DROPPED IN MARCH WAS USEFUL DUE TO THE CRUSHING EFFECT OF THE FREE FALL DROP ON THE 50-GALLON DRUMS). THE ONLY OTHER SERIOUS CONCERN VOICED WAS ON THE PREPARATION OF A DOCUMENT EXPRESSING ALLEGIANCE [redacted]

6. [redacted]

7. FILE: [redacted] INDEX: [redacted] DECL OADR DRV HUM 4-82.
END OF MESSAGE SECRET

A

UNCLASSIFIED ~~SECRET~~

REVIEWED FOR RELEASE 636
Date 03 Aug 87 ~~632~~
HC - C[redacted] ~~584~~

[illegible]

## EXHIBIT C/CATF-30-2

UNCLASSIFIED

[redacted]

LADORECORD
INCOMING

86 0979872 ASO PAGE 001 IN 0979872
TOR: 24[redacted]MAY 86 [redacted]

~~S E C R E T~~ 24[redacted]MAY 86 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR INFO [redacted]

SUBJECT: UNO/SOUTH REQUEST FOR VECTORS/FLIGHT PATH AND INTEL ON HOSTILE FORCES

1. ACTION REQUIRED: SEE BELOW.

2. UNO/SOUTH IS EXPECTING A RES[illegible] DROP OF MATERIEL TO ITS COMBAT FORCES DURING THE TIMEFRAME [illegible] 30-31 MAY. THE DROP ZONE IS LOCATED [redacted] THE [illegible]SOUTH COMMUNICATIONS CENTER (USCC) IS CURRENTLY ATTEMPTING [illegible] RECONFIRM THOSE COORDINATES. IN THAT CONTEXT UNO/SO[illegible] REQUESTS THAT HQS SUGGEST VECTORS, FLIGHT PATH INFORMAT[illegible] AND INTELLIGENCE ON PRESENCE/CAPABILITY OF EPS FORCE ALO[illegible]IGHT ROUTE AND VICINITY OF DZ. IF POSSIBLE, PLEASE [illegible]SE BY OOB 28 MAY.

3. FILE: [redacted] DECL OA[illegible] DRV HUM 4-82.

END OF MESSAGE ~~SECRET~~

EXHIBIT [redacted] 30-2

3651

Executive Registry 8868

Partially Declassified/Released on 18 Aug 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

637 ~~633~~

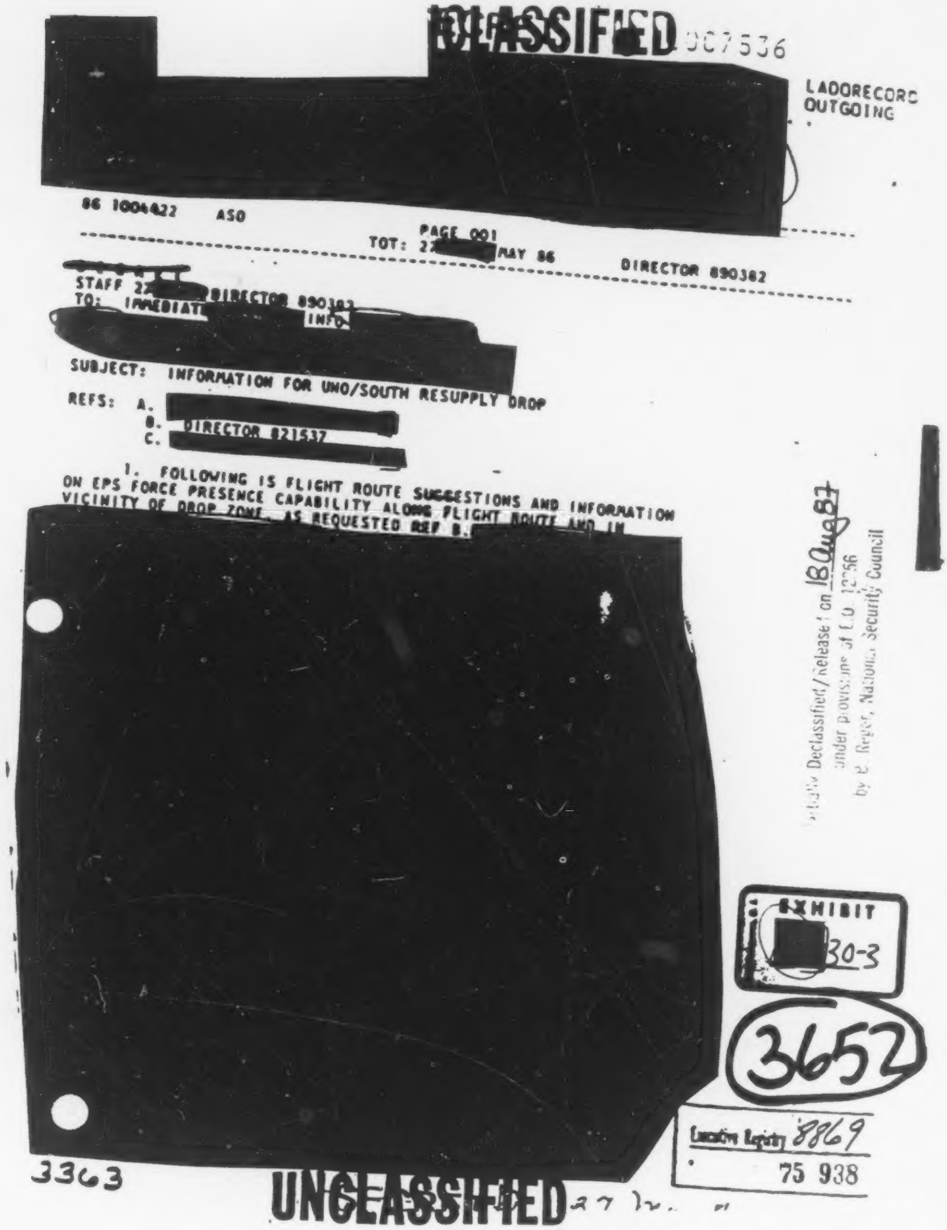
24 May 86

C11N 3362

RECORD COPY

UNCLASSIFIED

## Exhibit C/CATF-30-3



UNCLASSIFIED [redacted] 007536

[redacted]

LADORECORD
OUTGOING

86 1004422 ASO

PAGE 001
TOT: 22[redacted] MAY 86 DIRECTOR 890382

[redacted]
STAFF 22[redacted] DIRECTOR 890382
TO: IMMEDIATE[redacted] INFO [redacted]

SUBJECT: INFORMATION FOR UNO/SOUTH RESUPPLY DROP

REFS: A. [redacted]
B. DIRECTOR 821537
C. [redacted]

1. FOLLOWING IS FLIGHT ROUTE SUGGESTIONS AND INFORMATION ON EPS FORCE PRESENCE CAPABILITY ALONG FLIGHT ROUTE AND IN VICINITY OF DROP ZONE, AS REQUESTED REF B. [redacted]

[redacted]

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT [redacted] 30-3

3652

Executive Registry 8869
75 938

3363

UNCLASSIFIED

75 9.8 ~~174~~

UNCLASSIFIED 007537

[redacted]

PAGE 002
TOT: 27[redacted]MAY 86 DIRECTOR 890382

[redacted]

[illegible] 8810

~~635~~
639

30R [redacted]

75 9.8 ~~475~~

• UNCLASSIFIED

.007538

[redacted]

PAGE 003
TOT: 2[redacted] MAY 86 DIRECTOR 890382

[redacted]

6. FILE: [redacted] DECL OADR DRV HUM 4-82. ALL ~~SECRET.~~
ORIG: [redacted] AUTH: [redacted] COORD: [redacted]
REL: C/LACATF CL BY [redacted]
END OF MESSAGE SECRET

CIIN 3362

640

UNCLASSIFIED

Executive Registry 8871
~~636~~ [illegible]

## Exhibit C/CATF-30-4

UNCLASSIFIED
SECRET

[illegible]

LADORECORC
OUTGOING

[redacted]

PAGE 001
TOT: 2[redacted] MAY 86 DIRECTOR 891406

---

~~SECRET~~
STAFF 28[redacted]DIRECTOR 891406
TO: IMMEDIATE [redacted] INFO [redacted]

[redacted]

SUBJECT: INFORMATION FOR UNO/SOUTH RESUPPLY DROP

REF: A. [redacted]
B. [redacted]
C. DIRECTOR 890382

1. FOLLOWING IS WEATHER REPORT FOR EXPECTED 29-30-31 MAY UNO/SOUTH RESUPPLY DROP REFS: CHECK OF WEATHER THROUGH GLOBAL WEATHER CENTRAL INDICATES THAT A TROPICAL STORM IS DEVELOPING ALONG EASTERN NICARAGUAN COAST. FORECAST FOR 29-30-31 MAY CALLS FOR THUNDERSTORMS DEVELOPING IN LATE AFTERNOONS AND EVENINGS. 1/8TH OF AREA TO 3/8TH OF AREA COVERED BY THUNDERSTORMS FROM 1,500 FT TO 50,000 FT. 4/8TH OF AREA COVERED BY STRATO CUMULUS CLOUDS 2,000 TO 9,000 FT. WINDS 070 TO 120 DEGREES 10 TO 15 KNOTS WITH HEAVY TURBULANCE NEAR THUNDERSTORMS. SIGNS OF DIMINISHING ACTIVITY EXPECTED IN LATE EVENINGS.

2. HEADQUARTERS CAN SEND DAILY UPDATED WEATHER REPORT IF DESIRED.

3. FILE: [redacted] DECL OADR DRV HUM 4-82. ALL SECRET.>

ORIG: [redacted] AUTH: [redacted] COORD:
C/LACATF CL BY [redacted] REL:

3653

END OF MESSAGE

~~SECRET~~

Partially Declassified/Released on 18Aug89
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
[redacted] 30-4

UNCLASSIFIED

641 ~~639~~
[illegible]

jf

RECORD COPY

Executive Registry 8872

## Exhibit C/CATF-30-5

UNCLASSIFIED

[redacted]

C/L [redacted]
OUTGOING

5341

```
86 1248845     ASO                    PAGE 001
                               TOT: 19[redacted]JUN 86        DIRECTOR 925042
-------------------------------------------------------------------------------
S E C R E T
STAFF 19[redacted]DIRECTOR 925042
TO:  IMMEDIATE[redacted]INFO[redacted]
NIACT[redacted]

SUBJECT:  VECTORS/FLIGHT PATH FOR UNO/SOUTH DROP

REFS:  A.[redacted]

     1.  FOLLOWING IS FLIGHT INFORMATION REQUESTED REF:
```

[redacted]

EXHIBIT
[redacted] 30-5

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3654

642

REVIEWED FOR RELEASE

UNCLASSIFIED

Uno/South

75 9 8 ~~(78~~

UNCLASSIFIED

C 5342

[redacted]

PAGE 002
TOT: 19[redacted] JUN 86 DIRECTOR 925042

[redacted]

6[redacted] DECL OAD[redacted]HUM 4-82. ALL
~~SECRET~~>
ORIG:[redacted]; AUTH:[redacted] COORD:; REL:
C/LACATF[redacted] CL BY [redacted]END OF [redacted]E

SECRET

A

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 03 01 87
[redacted] SR 4/43c Sc.

n IIN 1781 643 ~~639~~

## EXHIBIT C/CATF-30-6

UNCLASSIFIED

Exhibit C/CATF-30-6

EXHIBIT [redacted] 30-6

C 5291.

FLIGH[illegible]-VECTOR INFORMATION:

He[illegible]arters r[illegible]ed four requests for resupply drop flight [illegible]-vec[illegible] from UNO/SOUTH between early April and mid Jul[illegible]essage traffic in the CATF chrono files indicates[illegible]ast three were responded to. All requests were routed [illegible]gh our station in [redacted]. In no case was information provided directly to the benefactors, instead it was delivered to the UNO/SOUTH Communications Center (USCC). What UNO/SOUTH did with the information, in turn, is only speculation.

Information included within the responses included entry points and checkpoints, true and [illegible]etic course headings, speed and altitude data, drop zo[illegible]roaches, etc... All but one of the requests delt with no[illegible]pt mission planning. One request, howver, (for which the[illegible]o record of a response) specifically states that the vec[illegible]nformation was intended to support the flight of a C-123 ai[illegible] arranged with "sources other than the FDN."

In addition to the flight pa[illegible]ctor data, Headquarters responded to three requests for[illegible]r data to support flight operations. The weather data inc[illegible] generalized aviation forecasting and moon-sun data. [redacted] air defense order of battle and the disposition of ground force units in the areas of concern were provided.

STATIONS HELP IN CLEARING AIRCRAFT [redacted]

On at least one occassion, our station in [redacted][illegible]s instrumental in securing a flight clearance for one o[illegible]wo Caribou aircraft from [redacted][illegible]e aircraft at that time was on official NHAO business[illegible]ot carrying lethal supplies.

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3655

UNCLASSIFIED

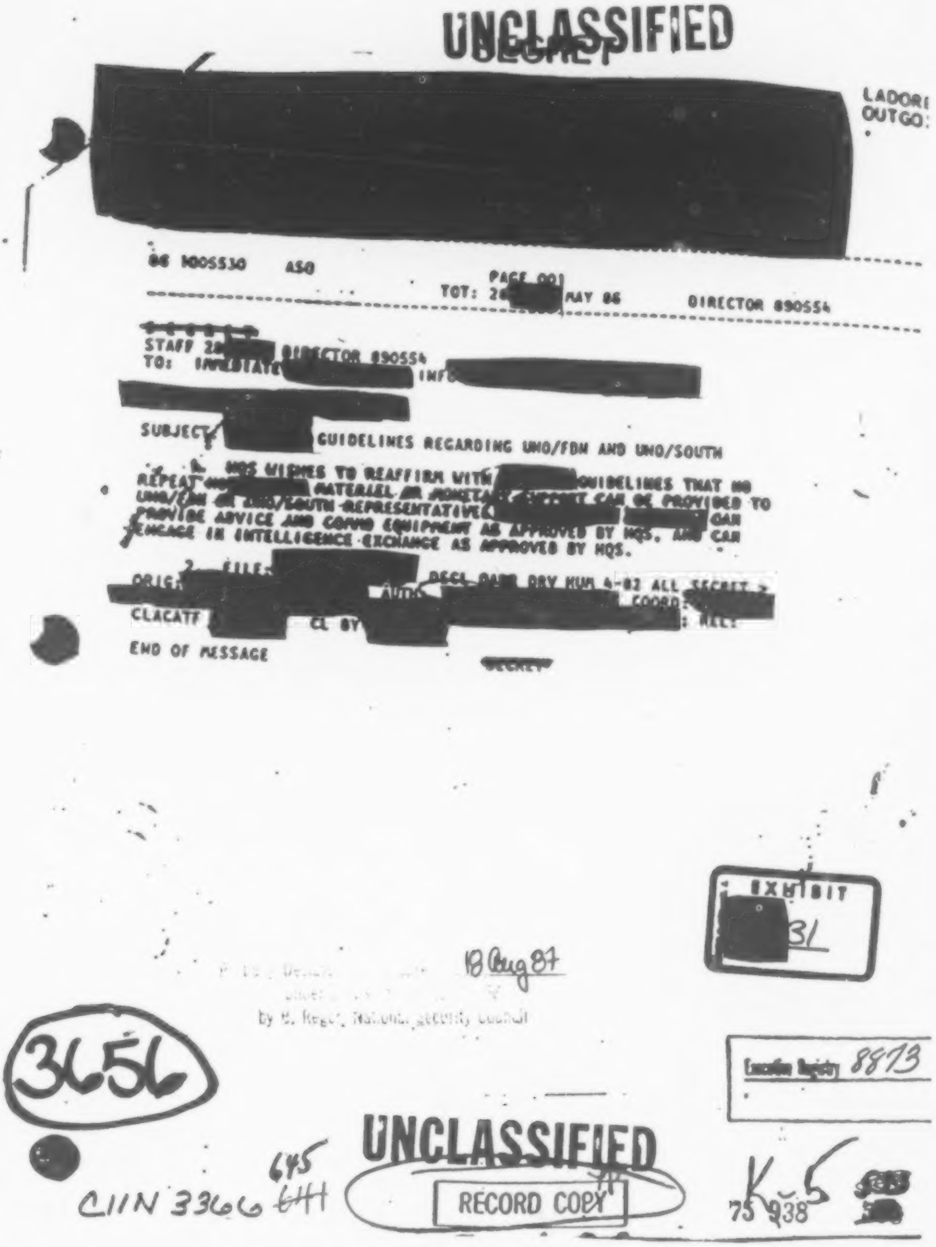
REVIEWED FOR RELEASE
Date 15 APR 87
HSC SSC

3 7

644

DO

## EXHIBIT C/CATF-31



UNCLASSIFIED
~~SECRET~~

[redacted]

LADOR
OUTGO

86 1005530 ASO PAGE 001
TOT: 2[redacted]MAY 86 DIRECTOR 890554

~~S E C R E T~~
STAFF 2[redacted] DIRECTOR 890554
TO: IMMEDIATE [redacted] INFO [redacted]
[redacted]

SUBJECT: [redacted] GUIDELINES REGARDING UNO/FDN AND UNO/SOUTH

1. HQS WISHES TO REAFFIRM WITH [redacted] GUIDELINES THAT NO REPEAT NO [redacted] MATERIEL OR MONETARY SUPPORT CAN BE PROVIDED TO UNO/FDN OR UNO/SOUTH REPRESENTATIVES [redacted] [redacted] CAN PROVIDE ADVICE AND COMMO EQUIPMENT AS APPROVED BY HQS. AND CAN ENGAGE IN INTELLIGENCE EXCHANGE AS APPROVED BY HQS.

2. FILE: [redacted] DECL OADR DRV HUM 4-82 ALL SECRET.

ORIG: [redacted] AUTH: [redacted] COORD: [redacted]
CLACATF [redacted] CL BY [redacted] REL:

END OF MESSAGE ~~SECRET~~

EXHIBIT
[redacted] 31

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3656

Executive Registry 8873

UNCLASSIFIED

RECORD COPY

C11N 3366 ~~644~~ 645

K-5
75 938

## EXHIBIT C/CATF-32

26 November 1986

UNCLASSIFIED

EXHIBIT [redacted] 32

MEMORANDUM FOR: Deputy Director for Operations

FROM: [redacted]
Chief, Latin America Division

SUBJECT: Possible Impropriety in [redacted]

1. The following information is submitted as a follow-up to our meeting on this topic on 10 November. You may recall that last May, shortly after I assumed my present job, I traveled to [redacted] C/CATF and I met together with all the Central American [redacted]. At that meeting the activities of the Private Benefactors (PB's) were raised as a source of potential problems to the [redacted] The major concern was [redacted] the PB's [redacted] and the need to keep our programs completely separate from PB activities and personnel. During a discussion of the PB's, I learned that [redacted] might possibly have been involved in activities which at least technically could constitute an impropriety.

2. At issue was the inability of the UNO/South elements to pass securely to the PB's intelligence obtained from us to facilitate aerial resupply drops to UNO forces inside Nicaragua. This intelligence included information on flight vectors, Sandinista radar and anti-aircraft positions and other data needed to carry out safe aerial deliveries. The Oversight Committees were briefed on our practice of providing UNO with this intelligence for use in arranging safe deliveries. In the case of PB aerial deliveries to UNO/FDN forces, this intelligence was given by [redacted] to UNO/FDN and subsequently was sent by an FDN communicator in [redacted] to another FDN communicator in [redacted] for passage to the PB's. UNO/South, however, experienced difficult[illegible] positioning a communicator in [redacted], and [redacted] was therefore passing the data directly to the [illegible].

3. Upon learning of this, I instructed [redacted] to stop this practice and to take whatever steps were necessary and proper to have a UNO/South communicator assigned to [redacted] (unfortunately, rivalries between the two groups prevented UNO/South from using the services of the UNO/FDN communicator at that time). With a UNO/South communicator

3657

642-646

Partially Declassified/Released on 18 Aug 89
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 87
HSC & SSC

75 908 ~~182~~

UNCLASSIFIED

present in [redacted] would then have been able to pass the information to UNO/South for transmission to the PB's via its communicator in that city. You will recall that after returning to Washington, I mentioned to you that I felt we had resolved a possible problem of impropriety involving [redacted]

4. Upon my return, CATF engaged in a cable dialogue with [redacted] over the question of the UNO/South communicator's assignment to [redacted] At the conclusion of this dialogue, it was decided that CIA could not on ~~legal~~ POLICY grounds actively facilitate the assignment of the communicator, and a cable to that effect was sent to both [redacted] and [redacted] [redacted] [redacted] At the same time, however, I was informed by CATF WHEN ON that UNO/South had been able to place a communicator in [redacted] [redacted] on its own. Thus I believed that the problem was resolved.

5. In early November C/CATF learned during a trip to [redacted] [redacted] that a U.S. reporter suspected of working on behalf of the Sandinistas claimed, in the aftermath of the Hassenfus affair, to have information indicating that [redacted] had received telephone calls from the PB's, both at his office and at his home. [redacted] I asked [redacted] to travel to Headquarters to discuss the problem and learned that, contrary to my understanding and instructions, the UNO/South communicator had not been able to locate to [redacted] and that [redacted] had continued to act on his own as an intermediary between UNO/South and the PB's. However, all PB flights terminated with the downing of the Hassenfus aircraft, and thus the question of continued communications between [redacted] and [redacted] became moot at that point.

6. [redacted] claimed that there were some calls from a house in which Hassenfus had lived to [redacted] and to the home of [redacted] who worked in an office suspected of being the "intelligence section". [redacted]

~~643~~ 647

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 87
HSC & SSC

75 9 8 ~~683~~

UNCLASSIFIED

We have looked at this problem informally in CATF, and it is our view that [redacted] communications with the PB's did not violate the prohibitions of Section 105 of the FY 86 Intelligence Authorization Act, which superseded Boland-type restrictions which were in place until modifications were made in the FY 85 Supplemental Appropriations Bill of August 1985. However, I recommend that you obtain a separate reading on this point from OGC. Regardless of legality issues, you may want to consider whether any disciplinary measures are called for. Naturally, I assume full responsibility for all activities occuring within my Division.

[redacted]

[redacted]

A

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 87
HSC + SSC

## Exhibit C/CATF-33

UNCLASSIFIED

C 0942

LADORECORD
OUTGOING

[redacted]

PAGE 001
TOT: 12[redacted]JUL 86 DIRECTOR 959273

~~SECRET~~
STAFF 12[redacted]DIRECTOR 959273
TO: IMMEDIATE [redacted]

[redacted]

SUBJECT: NEW UNO SOUTH COMMO LINK

REF: DIRECTOR 956421

1. FURTHER TO REF. HEADQUARTERS HAS REVIEWED OUR COMMITMENT TO PROVIDE SECURE COMMUNICATIONS BETWEEN UNO/SOUTH COMMUNICATIONS CENTER AND [redacted] WITH THE HOUSE PASSAGE OF THE PROPOSED PROGRAM OF ASSISTANCE TO THE NICARAGUAN RESISTANCE, WE HAVE TAKEN A SECOND LOOK AT THE COMMO LINK. TO DATE WE HAVE MAINTAINED OUR DISTANCE FROM THE PRIVATE BENEFACTORS (PB) WHO ARE PROVIDING ASSISTANCE TO THE RESISTANCE AND HAVE REPEATEDLY BRIEFED CONGRESS THAT WE DO NOT HAVE ANY RELATIONSHIP WITH THE PB'S. THE PROPOSED PROGRAM OF ASSISTANCE WOULD CHANGE OUR POLICY. WHILE THERE IS UNDENIABLY BENEFITS TO PROVIDING THE PB'S WITH SECURE COMMS TO UNO/SOUTH, THEY ARE OUTWEIGHED BY THE FACT THAT THE PB'S WOULD BE RECEIVING [redacted] ASSISTANCE IN HELPING THE RESISTANCE. AS ADDEES ARE AWARE THERE HAVE BEEN NUMEROUS ALLEGATIONS OF VIOLATIONS OF LAW BY PB'S. WE DO NOT HAVE A FIRM HANDLE ON WHETHER ALL OF THE ALLEGATIONS FLOATING AROUND ARE FALSE: CONSEQUENTLY, WE DO NOT WISH TO HAVE [redacted] PROVIDED ASSISTANCE TIED INTO AN ENTITY THAT MAY OR MAY NOT BE BAD. WE HAVE COME TOO FAR AT THIS TIME TO LET THE SOLID OPERATIONS THAT [redacted] HAS BUILT BE JEOPARDIZED BY ELEMENTS WHICH WE ARE UNABLE TO CONTROL.

2. FILE: NO FILE. DECL OADR DRV HUM 4-82 ALL SECRET.>
ORIG: C/CATF/PP [redacted] REL: C/CATF [redacted] CL BY [redacted]

END OF MESSAGE

UNCLASSIFIED

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
[redacted]33

— A

3658

649 ~~645~~

UNCLASSIFIED

[illegible] COPY 597

REVIEWED FOR RELEASE
Date 24 March 87
HSE & SSC

## EXHIBIT C/CATF-34

UNCLASSIFIED

N 18739

3659

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

[redacted]

MSG FROM: NSOLN --CPUA TO: NSJMP --CPUA 09/06/86 15:31:36
To: NSJMP --CPUA

FILE: ANO86 [redacted] WHITE HOUSE COMMUNICATIONS AGENCY

*** Reply to note of 09/02/86 11:03
NOTE FROM: OLIVER NORTH
Subject: Iran

Last night at 2330 EDT Project Democracy rep. in Costa Rica called to advise that the Arias Govt [redacted] was going to hold a press conference today (Saturday) announcing that an illegal support operation for the Contras had been taking place from an airfield in Costa Rica for over 2 years. The names of two Americans [redacted] to be prominently mentioned. I called [redacted] to confirm the info and [redacted] verifying the info. I then had a conference call w/ [redacted] and we agreed on the following [redacted] and that he wd never see a nickel of the [redacted] had promised him earlier this month. --Tambs then called Arias from his leave location in N. Va. and confirmed what I had said and suggested that Arias talk to Elliott for further confirmation. --Arias then got the same word from Elliott. [redacted] at 0300 Arias called back to advise that there wd be no press conference and no team of reporters sent to the airfield. As a precaution, the Project a/c were flown [redacted] last night and no project personnel remain in situ at the field other than local guards (5). [redacted] advises today that this operation was timed to coincide w/ the conference on our $100M and was directed by the Cubans. [redacted] I recognize that I was well beyond my charter in dealing w/ a head of state this way and in making threats/offers that may be impossible to deliver, but under the circumstances - and w/ Elliott's concurrence - it seemed like the only thing we could do. Best of all, it seems to have worked. I believe that it is important that you or Al or both make a trip down there again as soon as the $100M is approved so that someone w/ more horsepower than I can look Arias [redacted] very aware of our resolve in making this project work. If Al were to go it wd be a good opportunity for him to become familiar w/ some of the faces which will be critical to this effort if it is to succeed. V/R North

Iran

UNCLASSIFIED

650 646

598

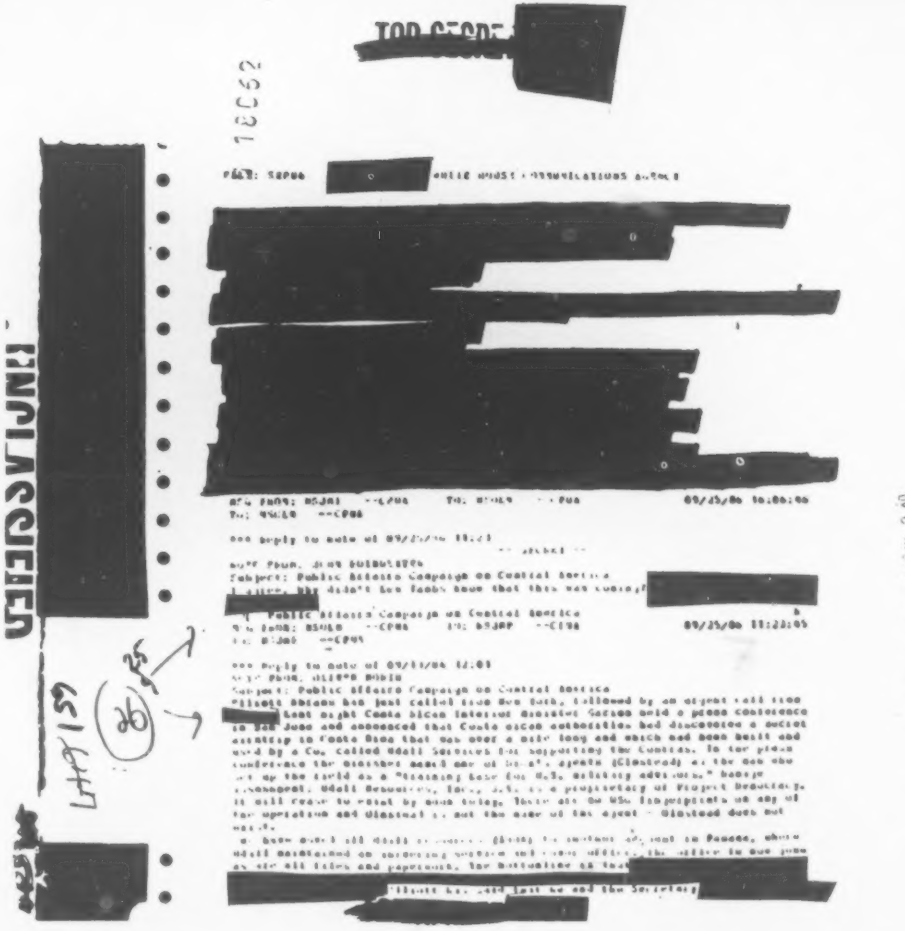
# EXHIBIT C/CATF-35

UNCLASSIFIED

3660

EXHIBIT [redacted] 35

Partially Declassified / Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council



TOP SECRET [redacted]

18062

PAGE: [illegible] [redacted] WHITE HOUSE COMMUNICATIONS AGENCY PAGE 108

[redacted]

```
MSG FROM: NSJMP   --CPUA      TO: NSOLN    --CPUA          09/25/86 10:06:06
To: NSOLN   --CPUA

*** Reply to note of 09/2[illegible]/86 1[illegible]:21
                                  -- SECRET --
NOTE FROM: JOHN POINDEXTER
Subject: Public Affairs Campaign on Central America
I agree. Why didn't Lew Tambs know that this was coming?
```

[redacted]

[redacted] Public Affairs Campaign on Central America

```
MSG FROM: NSOLN   --CPUA      TO: NSJMP    --CPUA          09/25/86 11:22:05
To: NSJMP   --CPUA

*** Reply to note of 09/[illegible]/86 12:01
NOTE FROM: OLIVER NORTH
Subject: Public Affairs Campaign on Central America
```

Elliott Abrams has just called from New York, followed by an urgent call from [redacted] Last night Costa Rican Interior Minister Garron held a press conference in San Jose and announced that Costa Rican authorities had discovered a secret airstrip in Costa Rica that was over a mile long and which had been built and used by a Co. called Udall Services for supporting the Contras. In the press conference the minister named one of Secord's agents (Olmstead) as the man who set up the field as a "training base for U.S. military advisors." [illegible] Udall Resources, Inc., S.A. is a proprietary of Project Democracy. It will cease to exist by noon today. There are no USG fingerprints on any of the operation and Olmstead is not the name of the agent - Olmstead does not exist.

We have moved all Udall [illegible] in Panama, where Udall maintained an answering service and [illegible] office. The office in San Jose [illegible] all files and paperwork. The [illegible] [redacted]

[redacted] Elliott has said that he and the Secretary [redacted]

[redacted]

96

651647

[redacted]

UNCLASSIFIED

UNCLASSIFIED

75 9.8 ~~487~~

[redacted]

N 18063

[redacted]

[redacted]

[redacted]

UNCLASSIFIED

652
~~648~~

EXHIBIT C/CATF-36

UNCLASSIFIED

NATIONAL SECURITY COUNCIL
WASHINGTON D.C. 20506

UNCLASSIFIED

Non-Log
N 23731

September 30, 1986

JMP HAS SEEN

~~TOP SECRET~~

ACTION

11[illegible]

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Press Guidance re Costa Rican Airstrip

Attached at Tab I is draft press guidance regarding the airstrip at Santa Elena, Costa Rica, which was divulged by the Costa Rican Security Minister at a press conference on Friday, September 26. This story has now been picked up by the New York Times (Tab II) and is generating press questions at State and Defense.

The press guidance at Tab I has been coordinated with State (Abrams), Defense (Armitage), and CIA [redacted] Due to the extreme sensitivity of the issue, your approval is requested before the guidance is used in responding to queries.

The damage done by this revelation is considerable. As indicated in the CIA report at Tab III, the logistics support provided by Project Democracy has had a profound impact on the ability of the resistance to sustain itself in the field. [redacted]

The airfield at Santa Elena has been a vital element in supporting the resistance. Built by a Project Democracy proprietary (Udall Corporation, S.A. -- a Panamanian company), the field was initially used for direct resupply efforts (July 1985 - February 1986). Since early this year, the field has served as a primary abort base for aircraft damaged by Sandinista anti-aircraft fire. The photographs at Tab IV show the field in June 1986 and a damaged Project Democracy C-123 which made an emergency landing on the field early this month.

The Arias Administration revelations regarding this facility have caused Project Democracy to permanently close Udall Corporation and dispose of its capital assets. It has also resulted in the loss of a facility important to keeping the resistance supplied and in the field against the Sandinistas.

EXHIBIT
[redacted]-36

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

066

3666 D

653
649

75 9.8 ~~180~~

~~TOP SECRET~~ UNCLASSIFIED

~~TOP SECRET~~ 2 N 28782

[redacted]

While we wait for [redacted] to prove his goodwill for our policy, there are important reasons to receive both [redacted] [redacted] in the Oval Office. [redacted] should be invited in lieu of [redacted] because [redacted] is increasingly supportive of our Nicaragua program. [redacted] will be in the U.S. [redacted] [redacted] Both [redacted] have asked if it is possible to have a "3-minute photo opportunity" with the President in order to present him with a [redacted] book. [redacted] active support for the Nicaraguan democratic resistance provided [redacted] such a brief meeting is highly appropriate.

RECOMMENDATIONS

1. That you approve the press guidance at Tab I and authorize us to pass it to Dan Howard/Paul Hanley for their use if asked.

Approve JP Disapprove _____

2. That you approve a brief photo op session with [redacted] [redacted] during your NSC briefing time in the October 17-21 timeframe. If you approve, an appropriate memorandum will be prepared.

Approve _____ Disapprove _____

Prepare a schedule proposal
Coordinate with Burghardt

Attachments
Tab I - Press Guidance
Tab II - NYT Article by James Lemoyne of September 29, 1986
Tab III - CIA Special Analysis, "Nicaragua: Rebel Resupply Increasing," TCS 2922/86 of September 23, 1986
Tab IV - Photographs

654
~~650~~

~~TOP SECRET~~ UNCLASSIFIED ~~TOP SECRET~~

UNCLASSIFIED 75 9.8 ~~090~~

September 30, 1986

**PRESS GUIDANCE RE AIRSTRIP IN COSTA RICA** OK N 28733

DID U.S. PERSONNEL SUPERVISE CONSTRUCTION OF THE AIRSTRIP IN NORTHERN COSTA RICA?

"The U.S. Embassy in San Jose, Costa Rica, has reported that during the Administration of Former President Monge the Ministry of Public Security was offered the use of a site on the Santa Elena Peninsula which could be used as an extension of the civil guard training center at Murcielago. The site included a serviceable airstrip which could have supplemented the small one which is located near the training center. The offer was reportedly made by the owners of the property who had apparently decided to abandon plans for a tourism project. The Embassy has no information on the Ministry's decision concerning the offer. No U.S. Government funds were allocated or used in connection with this site nor were any U.S. Government personnel involved in its construction. Any further inquiries should be referred to the Government of Costa Rica."

WAS THE AIRSTRIP INTENDED FOR USE BY THE CONTRAS?

The Government of Costa Rica has made clear its position that it will not permit the use of its territory for military action against neighboring states. The U.S. Government respects that position.

UNCLASSIFIED 655 ~~651~~ 0/11

UNCLASSIFIED 75 9.8 ~~691~~

THE NEW YO[illegible] MONDAY, SEPTEMBER 29, 1984

confidence,
rofile lady.

all Price Increase

SALE!
uit from Bonds
... choose another...
fer" SAVINGS!
'500'
utive Suits
al retail $275
189 each
fer $349
y 2 — Save $201

# Americans Reportedly Supervised Airstrip Project Near Nicaragua

By JAMES LeMOYNE

Special to The New York Times

LIBERIA, Costa Rica, Sept. 28 — Two Americans and the local police commander supervised the building of a military-size airstrip near Costa Rica's border with Nicaragua, according to several local residents, including some who say they worked on the project.

The accounts of the origin and building of the air strip include details that directly contradict official Costa Rican Government explanations. The accounts indicate that the airstrip may be intended for use to supply Nicaraguan guerrillas or assist the American military.

Six Costa Rican residents of this northern border area with Nicaragua, three of whom said they helped build the mile-long airstrip, said in interviews that Americans oversaw the construction.

The strip is situated near an American-built base used to train Costa Rican border patrol units, and American military engineers and special forces have been active in the area in the last year. Nicaraguan guerrillas have been nearby and have clashed with Nicaraguan Government forces on both sides of the border, although not in the last year.

## 'Americans Were There'

One town resident who befriended an American working on the airfield said the American identified himself as a former Green Beret demolitions expert who said he was working on "classified" matters.

"Americans were there and there was always a lot of mystery," said a local contractor, Luis Victor Arrieta, who says he was hired earlier this year to spend three months building the airstrip with the advice of the Americans and the protection of the local police commander. "I was told not to say I was building an airstrip. I was told to say I was building a road."

Mr. Arrieta said that he was ordered in April to finish work at the airfield quickly and that shortly after that workers in the area told him that a large military airplane had landed at the field. They said they did not know the nationality of the plane.

Several other local residents said the airfield's existence and use was an open secret in this extremely conservative and fiercely anti-Sandinista area.

"We all know it is a military airfield built by the Americans," one local businessman with close government ties said. "But we will claim it is only a tourist project because we wish the United States would invade Nicaragua and get rid of the Communists there."

## U.S. Refuses to Comment

The official spokesman for the United States Embassy in San José, Costa Rica, has refused to comment on the airfield in response to several telephone calls over the last few days.

[In Washington, a spokesman for the Defense Department declined to comment.]

The newly elected Costa Rican Government, which has tried to remain neutral in the conflict in Nicaragua, appears to have been embarrassed by publicity about the airstrip. Nicaragua is suing Costa Rica in the World Court for permitting its territory to be used by Nicaraguan guerrillas.

In its first public statement last week, the Costa Rican Government said it closed the airstrip earlier this month because it feared it was used by Nicaraguan anti-Government guerrillas and by drug traffickers. Public Security Minister Benjamin Garrón added that the field was begun as a tourist project by a Panamanian-based company and then intended as an alternative airstrip for a nearby Costa Rican Government training base.

The airfield is six miles from an American-built base that is used to train Costa Rican border patrol units. But a mountain divides the strip from the base and there appears to be no connecting road. There is flat land near the base that would appear better suited for an airstrip to serve the training site.

## Near Deep Water Port

The Green Berets helped build and run the training base, situated near the village of Murciélago. Both the base and the airfield are within a few miles of the last natural deep water port before the Nicaraguan border.

While it is possible that the airfield is used by drug traffickers, it is far larger than the one normally needed by drug runners who usually fly light airplanes that do not require long landing strips.

The airfield is about 1.1 miles long, enough to handle all but the largest military aircraft. Costa Rican police reportedly found a newly built wooden barracks at the field, as well as a stock of aviation fuel.

The Americans who supervised the project gave their names only as "Robert" and "Mr. Bill," according to the two local contractors who built the field. The Americans often consulted with the local police commander and drove a jeep without license plates, one of the contractors said. Three other Americans visited the strip from time to time, the contractor added.

The two contractors, Gerardo Cárdenas and Mr. Arrieta, said "Robert" and "Mr. Bill" planned and oversaw all details of the construction. Mr. Cárdenas, who was the chief contractor, refused to say if the Americans or the local police commander, Col. José Ramón Montero, paid him for his work. Mr. Arrieta estimated the project cost $80,000.

The American who gave his name as "Robert" said he was a former Green Beret demolitions and construction expert who had been in Vietnam, accord-

HONDURAS
NICARAGUA
COSTA RICA
San José

The New York Times/Sept. 2

Military-size airstrip is near C
Rica-Nicaragua border.

ing to a close friend of his in the
who asked to remain unidentified.
"Robert" said he was working o
government training base nearby
also on "classified" projects th
could not discuss, the local res
said.

According to several other local
dents the airfield was built from
to finish under the protection o
local police, known as the civil g
Colonel Montero, who has since r
as police commander, was the on
first asked the two local builde
construct the airstrip in January
contractors say.

Colonel Montero kept a 24-hou
lice guard at the airstrip and plac
locked gate on the road to the a
keep people out, one of the contra
said.

A reporter who tried to see Mr
tero for the last three days was to
servants that he was not home.
interview last week with a local r
paper Mr. Montero admitted bein
volved with the airfield but denie
Americans had been present. He s
was a tourist project.

The immigration official in char
the Liberia airport, a Governmen
installation, said he was surprised
Montero would not see an Amer
visitor.

"Col. Montero likes Americans
is very close to the American Em
sy," said the immigration official
asked that his name not be used.

According to the Costa Rican P
Security Minister, Mr. Garrón, the
field was started last year as part
tourist development. It was fina
by an American company called
Research Corporation based in P
ma, he said, denying any Costa R
police involvement in the project.

When the tourist development f
the airstrip was handed over t
Government under the administra
that left office in May, Mr. Garrón
But its legal ownership appears
main in doubt since it appears to
privately owned land.

Udall Research Corporation i
listed in Panama at the telephone
bers given on official govern
forms. Nor is the airstrip, the o
private field ever found in the are
according to Mr. Garrón, offi
registered with the national civ
tion office.

UNCLASSIFIED

UNCLASSIFIED

75 938 ~~092~~

[redacted]

N 28735

Special Analysis

**NICARAGUA:** Rebel Resupply Increasing

*Since January, the main anti-Sandinista insurgent organization has delivered increasing quantities of supplies to base camps in [redacted] and—despite continuing problems with aircraft and boats—to rebel units in Nicaragua.*

[redacted]

**Improvements**

Despite the logistic problems, the FDN delivered 540 tons of [redacted]

continued

657 ~~653~~

Top Secret
TCS 2922/86
23 September 1986

UNCLASSIFIED

75 938 [redacted] 072

75 9.8 093

UNCLASSIFIED

Top Secret

[redacted]

N 28786

69

[redacted]

**Sandinista Response**

Managua has placed a high priority on downing insurgent resupply flights.

[redacted]

[redacted]

69

658 ~~654~~

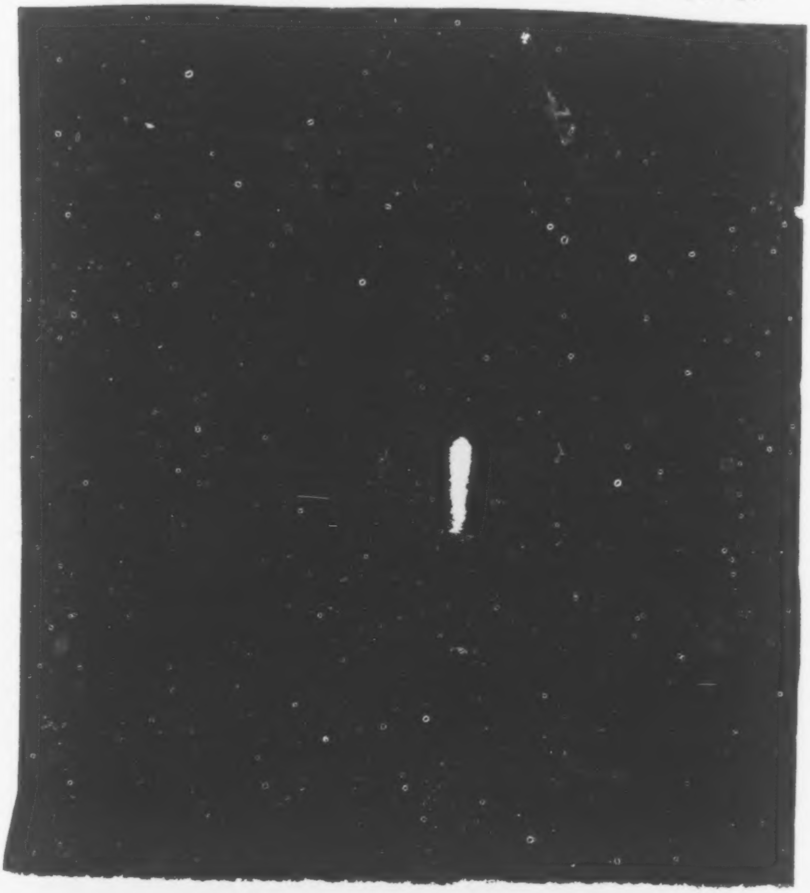
UNCLASSIFIED

07

73 9.8 ~~194~~

[redacted] UNCLASSIFIED

N 28787



[redacted]

Top Secret
UNCLASSIFIED

659 ~~655~~ 0.

75 9:8 ~~695~~

UNCLASSIFIED

[redacted]

N 28788

[redacted]

[redacted]

~~Top Secret~~ UNCLASSIFIED

660 ~~656~~ 075

75 9.8 ~~196~~

UNCLASSIFIED

28789

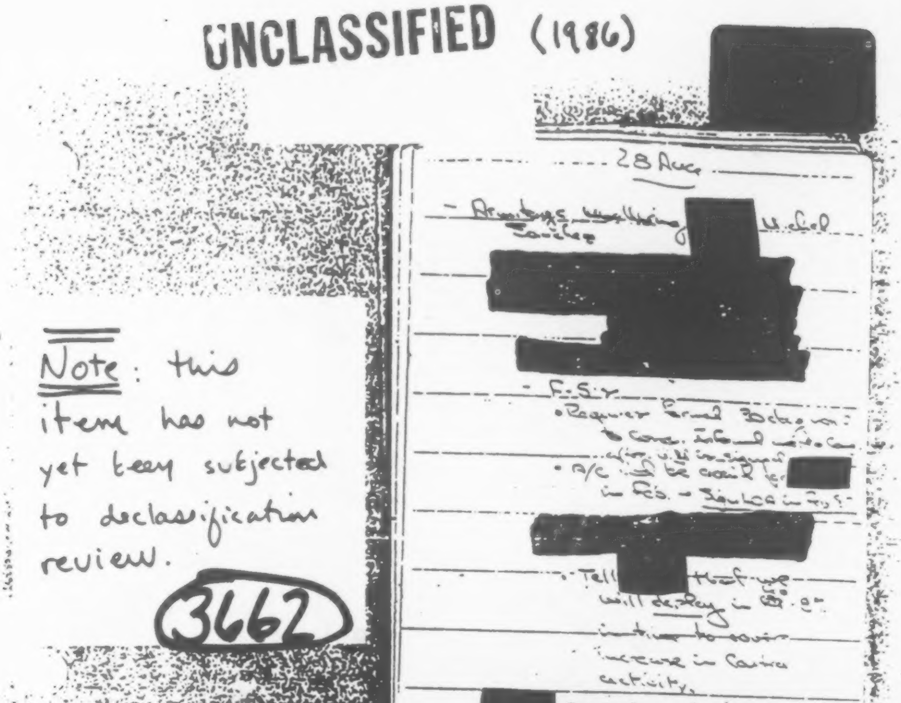
PROJECT DEMOCRACY AIR FACILITY
Santa Elena, Costa Rica
June 10, 1986

DAMAGED PROJECT DEMOCRACY ~~NC-255~~ C-123K
After Landing at Santa Elena Facility
September 12, 1986

661
~~659~~

[illegible] ~~659~~

EXHIBIT C/CATF-37



UNCLASSIFIED (1986)

28 Aug

- Armitage walking [redacted] U.S. Sol. [illegible]

[redacted]

- F.S.Y.
  - Request formal [illegible] to Cong. Inform [illegible] after [illegible] is signed
  - A/C will be avail [redacted] in Feb. - [illegible] in Feb?

[redacted]

  - Tell [redacted] that we will deploy in [illegible] in time to cover increase in Contra activity.

Air Defense

[redacted]

Note: this item has not yet been subjected to declassification review.

3662

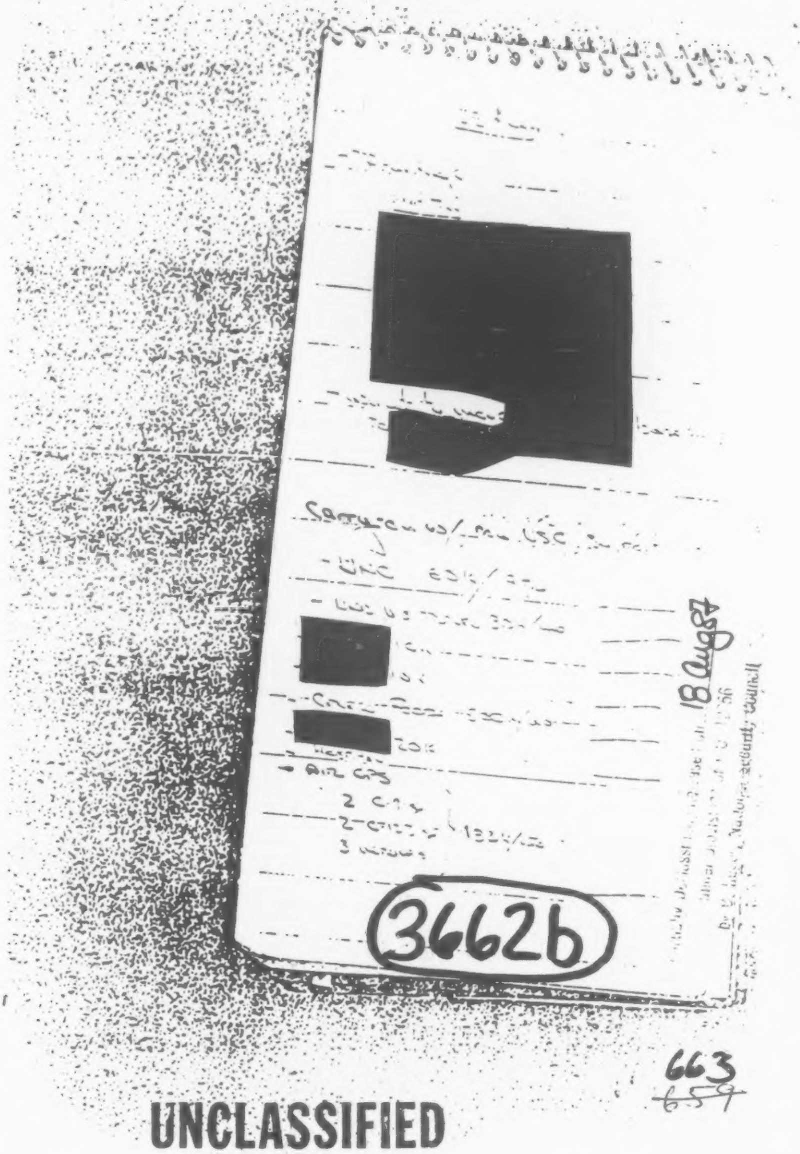
Partially Declassified/Released on 18Aug87 under provisions of E.O. 12356 by B. Reger, National Security Council

EXHIBIT 37

UNCLASSIFIED

[illegible]

**UNCLASSIFIED** 75 9[illegible]8 ~~698~~



[redacted]

[redacted]

[redacted]

3662b

18 Aug87

663
~~659~~

**UNCLASSIFIED**

UNCLASSIFIED 75 908 ~~699~~

Partially Declassified/Released on 18Aug87 under provisions of E.O. 12356 by B. Reger, National Security Council

3662a

Oliver North's Schedule

Friday, August 29

0915- Steve Shock (WHMO) "personal" 5 mins.

0930- 1030 OLN on CA Rm 450 Coalition of Apostolics – Board of Governors

1230- Lunch w/Noel Koch Jean Pierre

1838 K

1415- Father Tom Dowling

HAPPY B'DAY TED

LOCK-UP PHONE WORK

---

Oliver North's Schedule

Tuesday, Sept 2

0730- ODSM

~~1045~~- Cas

1200 ~~1330~~- Michael Ledeen Paul Murray (FBI) + one

1400- GEN John Singlaub GEN Robert Schweitzer

1600- RIG Rm 6263 re [redacted]

1900 Signing ceremony [illegible]
([illegible])
- [illegible] in [illegible]
- [illegible] conference
- [illegible]
- [illegible]
- [illegible]

---

Oliver North's Schedule

Wednesday, Aug 27

NO ODSM

0900- [redacted] in "Park"

1000 - Geo Van Eron

1100- Michael Ledeen

1230- Depart for Funeral

1300- Funeral - Ft. Myer Chapel, Arlington Cemetery for Don Fortier

1600- LTGEN Benard Trainor

1700- Rich Miller

Care B.U.D. [illegible]

~~660~~

---

Oliver North's Schedule

Thursday, August 28

0730- Breakfast (PNT 4E838) Armitage [redacted] Michel-Moellering-Sanchez

1000- Walt Raymond Mtg

1100- [redacted]

1300- George Van Eron

1500- OSG-TIWG Rm 302

664

UNCLASSIFIED

## Exhibit C/CATF-38

UNCLASSIFIED

EXHIBIT [redacted] 38

3663

... released on 18 Aug87
... 12356
... Council

~~TOP SECRET~~ [redacted]

665
~~664~~
663
[redacted]

N 18146

FILE: NOTE [redacted] AO WHITE HOUSE COMMUNICATIONS AGENCY                    PAGE 00012

[redacted]

[redacted]

[redacted]

MSG FROM: NSRLE --CPUA TO: NSCPC --CPUA                    0
To: NSCPC --CPUA                    10/09/86 07:07:25

NOTE FROM: Robert L. Earl
Subject: Downed Plane
Nice of 'em to hold a policy-making meeting on this and not invite me....
I wonder who the "we" is in Vince's last sentence.... [illegible] in pocket?
Rodman? Saluting the brave men who are doing this is part of the
President's policy, I would have thought....
*** Forwarding note from NSVMC --CPUA 10/08/86 16:28 ***
To: NSRBM --CPUA JOHN M. POINDEXTER NSJMP --CPUA JOHN M. POINDEXTER
NOTE FROM: Vincent Cannistraro
SUBJECT: Downed Plane
At RIG meeting with Elliott Abrams today the question of the captured American held by the Nicaraguans was discussed. Following decisions were made:

--Demands for consular access would continue. Elliott thought Nica would accede to our request today. (He later called me to say the Nica had still not responded and we should be prepared to escalate tensions if there is no movement. Believes we may have to make this a "hostage crisis" to exert leverage on Sandinistas.

[redacted]

--Press Guidance was prepared which states no U.S.G. involvement or connection, but that we are generally aware of such support contracted by the Contras.

--DOD to be asked to assume responsibility for flight and to assist families of Americans involved. Elliott will follow up with Ellis to facilitate this.

--ARA will attempt to identify appropriate legal counsel and ask DOD to engage him. Lawyer will be asked to donate services pro bono. Alternatively, private money can be found, according to Elliott.

--HPSCI and SSCI have been briefed and there were no problems.

--Elliott said he would continue to tell the press these were brave men and brave deeds. We recommended he not do this because it contributes to perception U.S.G. inspired and encouraged private lethal aid effort.

CC: NSWP --CPUA                    NSRLE --CPUA
, Downed Plane

[redacted]

[redacted]

# EXHIBIT C/CATF-39

STENOGRAPHIC MINUTES
Unrevised and Unedited
Not for Quotation or
Duplication

~~SECRET~~ UNCLASSIFIED

R86-1588
cy 4

[redacted]

[illegible] on 18 Aug 87
[illegible] 12356
[illegible]

3664

## Committee Hearings

of the

## U.S. HOUSE OF REPRESENTATIVES

This document is the property of the Permanent Select Committee on Intelligence of the House of Representatives and is [illegible] to the addressee on the [illegible] read or otherwise [illegible] permission of the Committee, except that it may be [illegible] to executive branch [illegible] whose official duties are concerned with the subject [illegible]

EXHIBIT
[redacted] 39

OFFICE OF THE CLERK
Office of Official Reporters

~~SECRET~~ UNCLASSIFIED

666
~~662~~
[redacted] [illegible]

75 928

**UNCLASSIFIED**

R86-1
CY

BCYUM/mas

BRIEFING ON DOWNED AIRPLANE

Tuesday, October 14, 1986

U.S. House of Representatives,
Permanent Select Committee on Intelligence,
Washington, D. C.

The Committee met, pursuant to call, at 3:20 p.m., in Room H-405, the Capitol, the Honorable Lee H. Hamilton (Chairman of the Committee) presiding.

Present: Representatives Hamilton (presiding), Stoke McCurdy, Beilenson, Kastenmeier, Daniel, Roe, Brown, McHugh, Dwyer, Stump, Ireland, Hyde, Cheney and McEwen.

Staff Present: Thomas K. Latimer, Staff Director; Michael J. O'Neil, Chief Counsel; Steven K. Berry, Associ Counsel; Jeanne M. McNally, Clerk; Martin C. Faga, Duane Andrews, Richard H. Giza and Diane S. Dornan, Professiona Staff Members; Bernard Raimo, Jr. and David S. Addington, Counsel.

**UNCLASSIFIED**

75 938

UNCLASSIFIED

# CONTENTS

| STATEMENT OF: | PAGE |
|---|---|
| Clair George, Deputy Director for Operations, Central Intelligence Agency<br>--accompanied by--<br>[redacted] Chief, Central America Task Force, DDO<br>[redacted] Special Assistant to the DDO<br>David Gries, Director, Office of Congressional Affairs<br>Pat Taylor, Deputy Director for House Affairs, Office of Congressional Affairs | 4 |
| ~~Ambassador~~ Elliott Abrams, Assistant Secretary for Inter-American Affairs, Department of State<br>-accompanied by--<br>William Walker, Deputy Assistant Secretary for ~~Central~~ [illegible] American Affairs, Bureau of Inter-American Affairs<br>Richard Melton, Director, Office of Central American Affairs, Bureau of Inter-American Affairs<br>Robert Kagan, Deputy for Public Diplomacy, Bureau of Inter-American Affairs<br>Michael G. Kozak, Principal Deputy Legal Adviser<br>John E. McAteer, Office of Legislative Affairs (Latin America) | 12 |

UNCLASSIFIED

UNCLASSIFIED

The Chairman. Good afternoon, gentlemen. The meeting will come to order.

We appreciate very much the opportunity to listen to you this afternoon on the Nicaraguan problems of recent vintage.

We apologize for the delay. I think you may know that Secretary Shultz was briefing Members on the Iceland meeting at 2:15. We appreciate very much the fact that you have accommodated yourself to that schedule.

So we will begin. The chief witnesses are Mr. Clair George, who is the Deputy Director for Operations; [redacted] Chief, Central America Task Force; and ~~Ambassador~~ Elliott Abrams, Assistant Secretary for Inter-American Affairs.

I presume there are other witnesses that may need to be introduced from time to time, but we are pleased to have you.

Mr. George, are you the lead-off witness? You may begin, sir.

UNCLASSIFIED

UNCLASSIFIED

STATEMENT OF CLAIR GEORGE, DEPUTY DIRECTOR FOR OPERATIONS, CENTRAL INTELLIGENCE AGENCY

Mr. George. Thank you, Mr. Chairman.

First I would like to state categorically that the Central Intelligence Agency was not involved directly or indirectly in arranging, directing, or facilitating resupply missions conducted by private individuals in support of the Nicaraguan Democratic Resistance.

Furthermore, I would like to state categorically that the crew of the C-123 aircraft which crashed on 5 October in Nicaragua were not CIA employees, nor do they work for us in any way.

I might interject here that I have biographic information on Mr. Hasenfus, the gentleman who is being held hostage in Managua; Messrs. Cooper and Sawyer who were killed in the crash, and Felix Rodriquez, the gentleman whose name as Max Gomez has lately been in the paper. [redacted] of these individuals, and possibly others, were associated with our agency at some time in the past, but are not associated with us now, and as the testimony goes on today, I would be glad to fill you in, Mr. Chairman, and Members, of the background and relationships of these gentlemen with our agency.

[redacted]

UNCLASSIFIED

UNCLASSIFIED

The Chairman. You began with a series of denials of CIA involvement in any way, directly or indirectly, in supplying the contras. Does the same denial apply to the United States Government across the board?

In other words --

Mr. George. Mr. Chairman, I cannot speak for the Uni States Government. I can speak for the Central Intelligen Agency.

The Chairman. Can anybody assure us that the United States Government was not involved, indirectly or directly in any way in supply of the contras?

Mr ~~Ambassador~~ Abrams. I believe we have already done that, that is, I think, the President has done it, the Secretary has done it, and I have done it.

The Chairman. So the answer is the United States Government was not involved in any way.

Mr ~~Ambassador~~ Abrams. In the supply. Now again, this normal intelligence monitoring is there, but the answer to your question is yes.

The Chairman. So far as you know, the United States was not in violation of any law relating to the supply of the contras?

Mr. George. As far as I know, that is true, Mr. Chairman.

Mr ~~Ambassador~~ Abrams. Yes.

UNCLASSIFIED

The Chairman. Did we ask [redacted] are they doing it at our request?

Mr. George. The Central Intelligence Agency did not.

The Chairman. Did the government ask [redacted] do that?

~~Ambassador~~ Mr. Abrams. No, we did not, but I would have to say that it would have been conceivable to conclude that we would think this would be a great idea. But they never came to us and said, to my knowledge, should we do this?

The Chairman. Now, I am correct, am I not, the [redacted] controls that air base and these flights could not take off without the approval of the [redacted]

[redacted] Yes.

The Chairman. So they knew about these flights, the flights had been going on for what, several years?

[redacted] Not to our knowledge, no. The flights that are the ones called the benefactor flights, first came to our attention in April-May of 1986. Prior to that time we had not -- did not notice flights [redacted] [redacted]

Mr. George. We knew of air drops right back almost to the time of the cutoff in 1984, but this crowd out of [redacted] is a recent development, Mr. Chairman.

The Chairman. In any event, whoever was operating this supply to the contras, they would have to have had the permission of [redacted]

Mr. George. Yes.

[redacted] Yes.

[redacted]

The Chairman. Now, with regard to the private operation here, how much do you know about that private operation and how do you know it? You have indicated to us that you weren't targeting it -- I appreciate that, I accept that -- but how much do you know about it?

Mr. George. We had extensive intelligence [redacted]

[redacted]

The Chairman. Do you know anything about these private groups?

Mr. George. We knew, [redacted] [redacted] that there was a private group [redacted] [redacted] that was probably engaged in private benefactor support. We also knew that there was a group -- correct me [redacted] if I am wrong -- a group in [redacted] that was engaged in private benefactor assistance.

The Chairman. Do you know who that group was or is?

Mr. George. I do not. I told you, Mr. Chairman, and I know this may cause some serious questioning, but we told our people to stay away from them.

The Chairman. You don't know whose airplane that was?

Mr. George. I have no idea. I read -- except what I read in the paper.

The Chairman. I understand, but you don't know?

[redacted] No, we do not know.

The Chairman. There are a number of airplanes that tak off there to supply the contras regularly. You don't know who they are?

[redacted] We know what the airplanes are by type. We knew, for example, there were two C-123s and two C-7 cargos. We knew they were flying out of [redacted] and we knew they were flying both from [redacted] and from [redacted] into Nicaragua. We knew in some cases much less

UNCLASSIFIED

frequently that they were flying down the Pacific air corridors into southern Nicaragua for the purposes of resupply, but as to who was flying the flights and who was behind them, we do not know.

The Chairman. And you still don't?

[redacted] No.

Mr. George. No, sir.

[redacted] We know from the newspapers that a company called Corporate Air Services is the company that appears to have some involvement with them, but --

Mr. George. What we know at this point is as [redacted] says, is from the press.

The Chairman. Do you know if any foreign government is helping to supply the contras? There is a report in the [redacted]

Mr. George. No, sir, we have no intelligence of that.

~~Ambassador~~ Mr Abrams. I can only speak on that question for the last fifteen months when I have been in this job, and that story about the [redacted] to my knowledge is false. I personally cannot tell you about pre-1985, but in 1985-1986, when I have been around, no.

The Chairman. Is it also false with respect to other governments as well?

~~Ambassador~~ Mr Abrams. Yes, it is also false.

The Chairman. Mr. Stump.

675

75 938

UNCLASSIFIED

Mr. Brown, we have cut cables, telegrams, cables as we call them, to our stations starting in September, 1984, reminding them, reminding our employees of the restrictions placed upon us and urging them to avoid any contact with those who were involved in it, and more recently urging them to avoid contact with private benefactors.

In addition, those cables which were based on judgment of myself and those working with me, we have a legal position that was written by our legal staff as to what we can and cannot do under Executive Order 12-333, which leads, as you suspect it would, into a legal quagmire of arguing about what we are supposed to do and not do involving American citizens.

Mr. Brown. I would like to have all of these documents in the Committee file bearing on this subject, if it is not too great a burden.

Mr. George. Certainly.

Mr. Brown. Do you have access to or do you know of similar documents that may have been issued by other agencies such as DoD, State, or even in the White House?

Mr. George. I don't.

[redacted] No, I don't.

Mr. George. Sorry, Mr. Brown.

Mr. Brown. I won't ask you to provide those, then.

You have testified that you have fairly accurate knowledge of the resupply operations. Would you be able to provide us with a month-by-month analysis since the cut-off of your involvement as to the amount of such resupply?

Mr. George. We could certainly provide you with what we have reported since then and the reports themselves, and the finished intelligence on it.

Mr. Brown. I want to make sure I ask the right questions, and I want you to provide the Committee with all the information that you have with regard to resupply operations.

[redacted] Yes.

Mr. George. Yes.

[redacted] Since the funding cut-off.

Mr. George. Since the funding was legally cut off in 1984.

Mr. Brown. That is correct.

Mr. George. Yes, sir.

(The information referred to follows:)

(*** COMMITTEE INSERT ***)

677
~~673~~

Mr. Brown. Now, I understand that the Agency provides intelligence to the contras with regard to activities going on in Nicaragua. I presume from that that you are aware of any overflights for the purpose of resupply. Am I correct in this?

[redacted] Yes. We don't necessarily know about them ahead of time, however. We know about them after they have taken place.

Mr. Brown. Could you provide in similar fashion month by month, since 1985, the number of such supply flights that you have monitored? The purpose of this, of course, is to determine from what information you have the extent of such flights.

Mr. George. Sure.

(The information referred to follows:)

(*** COMMITTEE INSERT ***)

# Exhibit C/CATF-40

[redacted] DEPOSITION 5/11/87

UNCLASSIFIED

doing that and outlining it the way he did.

If that was his understanding, then he has some misunderstandings.

Q [redacted] about is on [redacted] 1986 you attended a briefing of the members of the HPSCI staff. [redacted]. Giza was present.

The purpose of the briefing -- it appears you were summoned or requested -- the agency, I should say, was requested to attend, because the Hasenfus plane had recently gone down, and the focus was to -- it appears from the questioning, at least, and from the memorandum done about the pre-briefing -- it was a pre-brief -- that the members of the committee wanted to know about United States Government involvement with the operation in the Hasenfus was involved.

You testified last time that by January or so of 1986, late December 1985, January 1986, you began to suspect that Colonel North has got some involvement with that operation, that in the summer of 1985 Colonel North comes to you and wants -- suggests to you that the agency should purchase the assets, that in August of 1986 you attended a meeting that you really wished that you had not attended that involved -- I can't remember if you were at the meeting with Felix Rodriguez or --

A Not, definitely not the meeting with

UNCLASSIFIED

[illegible] /Released on 18Aug87 [illegible] of E.O. 12356 [illegible] Security Council

3665

C. EXHIBIT [redacted]-40

[redacted]

UNCLASSIFIED

Felix Rodriguez.

Q You were at the follow-up meeting, I guess, where Felix Rodriguez was discussed, and some of what he said was discussed.

Let me just ask you -- there were a number of questions that were posed, principally to Mr. George, asking what the agency knew about this private operation, and Mr. George -- and even more strongly, Mr. Abrams -- both emphatically stated -- Mr. George says the agency had no involvement whatsoever, but it appears Mr. Abrams states that the United States Government had no involvement in that private resupply operation.

Is that your recollection of what occurred at that meeting?

A Generally, yes.

I would have to read the transcript to reflect my recollection. But generally, that was it, yes.

Q [redacted]t you speak up and tell the committee about [redacted] by this time that Colonel North was invol[redacted]eration?

A Let me start off by saying that Mr. George's position at the agency was not involved in these operations. That is absolutely accurate, according to our knowledge at that point in time.

Q I understand.

UNCLASSIFIED

A And I think that subsequently we did find out that [redacted] was a little more closely involved than the instructions would have otherwise have had him be, but still our office of General Counsel has determined that, from their opinion, that his activity, although represented a violation of standing operating procedures and regulations and instructions, does not represent a violation of the law.

So, I think Mr. George's testimony is absolutely accurate.

I didn't speak up for two reasons. First off, the question was not directed to me. Secondly, it was my belief that even though I had bits and pieces of this thing pulled together, I did not believe it was a U.S. Government operation. I still don't believe it was a U.S. Government operation.

I didn't know then what I know now about the involvement o[redacted] or the involvement, apparently, based on General Secord's testimony -- the alleged involvement of Colonel Steele, and didn't see the need to intervene in that testimony.

Now, I have testified in front of the House Committee in previous times to that in direct response to questions by Congressman Brown when he asked me a very similar question, or questions, why we were not investigati

~~TOP SECRET~~

UNCLASSIFIED

that.

Q I have read that.

A And I said to Congressman Brown that so far as we have been able to tell in looking at it, the trail leads back to the United States and U.S. persons and U.S. money. And that is not a matter for us to investigate. That is where I was.

I thought they were private individuals and was unaware of the scope and nature of U.S. Government, official government positions.

I believe Ollie's involvement was one, as I think I have described, of the second team quarterback on the sidelines flashing signals to the quarterback playing the game, and not a direct involvement.

I didn't think he was running the operation. I knew he could influence it. I knew he could cause it to do things, but I didn't think he was a direct player.

So, I made a decision. It may or may not be right. I just stayed silent.

Q I would be glad to show this to you. I am not hiding it in any fashion. The Chairman in speaking to Mr. George says -- "You began with a series of denials of CIA involvement in any way, directly or indirectly, in supplying the contras. Does the same denial apply to the United States Government across the board, in other

UNCLASSIFIED

words?

"Mr. George. Mr. Chairman, I can not speak for the United States Government. I can speak for the Central Intelligence Agency.

"The Chairman. Can anyone assure us that the United States Government was not involved, indirectly or directly, in any way in supply of the contras?

"Mr. Abrams. I believe we have done that, and I think it is -- done that -- that is, I think the President has done it, the Secretary has done it, and I have done it.

"The Chairman. So, the answer is the United States Government was not involved in any way?"

It seems to me in reading this whole transcript the direct impression that comes across in the testimony of Mr. George and Mr. Abrams is that there is no government involvement whatsoever in this entire operation, and yet you testified before that you, as well as a numbef of other people in the United States Government, are, especially by October of 1986 -- have fairly certain knowledge, although some of it you derived inadvertently, that Colonel North was quite heavily involved.

Did you just make a decision that your information was not solid enough to speak up at that time?

A Well, as I think you can see, the questions weren't directed to me, and for that I am extremely grateful.

Q I understand.

A And, frankly, at that point in time, I think to lay it out there I was just grateful the question was not directed to me.

And I don't know how to answer it, had it been directed to me. I knew the CIA was not involved, and I suppose that is a tremendous parochial view, but I think that, as you see throughout the testimony and in your investigation of this entire affair, my position has been that as I steamed through what I knew to be troubled and potentially perilous waters, I wanted to keep the agency off the shoals and clean, and made decisions that were based on that staying within the parameters, and so I would have testified similar to Mr. George, that I knew about the agency; I didn't know and would not speak about the U.S. Government.

That was the way I would have answered the question.

MR. EGGLESTON: I have nothing further.

EXAMINATION

BY MR. GIZA:

Q [redacted] continuing on the same line of questioning that was pursued by Mr. Eggleston, when you testified before us on the first of May, you gave the

UNCLASSIFIED
[redacted]

general indication in our discussions that you pretty much knew in the winter and spring of 1986 that people like Richard Gadd, people like Felix Rodriguez, were involved in this, and you had some sense that those same individuals who were providing humanitarian assistance were also providing lethal assistance.

You recounted for us at the time an incident on the tarmac at [redacted] where there was a load on an aircraft that was going to [redacted] You indicated this couldn't go. You went with Felix Rodriguez, placed a direct call to Oliver North.

I would like to introduce for today Exhibit 12, CIIN No. 2307, and show that to you, [redacted]

(Exhibit No.12 was marked for identification.)

(The document marked as Exhibit No. 12 follows:)

***** INSERT 1-1 *****

685
~~671~~

UNCLASSIFIED

BY MR. GIZA:

Q Are you familiar with that memo?

A Yes.

Q You read it?

A Yes.

Q At the time --

A Yes.

Q -- that it occurred?

A Yes.

Q The memo gives an indication, at least, that Oliver North was, in fact, a principal focus of this operation.

One could interpret it that way. Maybe you did not. But that he had been, quote, unquote, "coordinating" between Felix Rodriguez and Oliver North.

So, not only did you have this incident with Oliver North making coordination arrangements, but you had the incident with Rodriguez where Felix Rodriguez talked to Oliver North on the phone.

As you went through the summer, you saw additional incidents where Felix was involved with these aircraft, where North was also involved.

Isn't it true you told us that North had also shown you photographs of the airfield in [redacted]

A Yes. Nor just me, the whole --

Q Members of the RIG?

A A whole group of people. And beyond that, as I recall, it was a fairly large meeting.

Q So, you had a general sense that Oliver North was not only knowledgable of the aereal resupply effort, but he was also knowledgable of the airfield in [redacted]

Let me introduce from the testimony on 14 October 1986 Exhibit No. 13.

A Okay.

(Exhibit No. 13 was marked for identification.)

(The document marked Exhibit No. 13 follows:)

***** INSERT 1-2 *****

UNCLASSIFIED

~~TOP SECRET~~

BY MR. GIZA:

Q You are familiar with that testimony given by you during that session on 14 October?

A Yes.

Q While Mr. George responded to the questions as to the airplane, you also responded, indicating that you did not know, and again, when the Chairman asked secondly, you said that you again did not know.

A Yes.

They asked me the question. The Chairman says, "You do not know whose airplane that was?"

Mr. George said, "I have no idea. I read -- except what I read in the paper.

The Chairman said, "I understand, but you don't know?"

[redacted] No. We do not know."

At that point in time, if you would have asked me who owned that airplane, I didn't know who owned that airplane.

Q You may not have known who the specific owner of the airplane was, but you did, in fact, know a good deal about the operation that was underway at [redacted]

A You couldn't have been in my job and been competent and not have developed an understanding of the operation at [redacted]

688 75 938 636 ~~644~~

UNCLASSIFIED

As I testified before, my job was to keep the agency out of that operation and to stay within the bounds of propriety and legality, and if I -- I did not allow myself to develop a deep understanding in specific terms about how that operation ran, who was behind it, and whose airplanes those were and so on.

So, I would still stand by that answer at that point in time.

end
mag

If you wanted to ask me whose airplanes those were, I did not know. [illegible] do you know who ran the operations and what, that is a different question and that would have been a different set of answers.

But as to whose airplane that was, I am still not sure who owns those airplanes.

Q The chairman -- you indicated you did not know who was flying the flights or who was behind them. The chairman said, and you still don't know, you responded, that is right; no?

Isn't it true that an individual by the name of [redacted] came to work for the Central Intelligence Agency some time in the summer of 1986?

A I don't know when he came to work for the Central Intelligence Agency.

Q Wereyou knowlegeable of the fact that [redacted] had participated in this private benefactor resupply effort?

A Some time after -- I would have to get the exact dates -- after the 123 crashed and I think probably after that hearing, but again, I don't know that was brought to my attention. But I have never talked to [redacted] and made it my business not to be the person that debriefed him.

Q But there was someone in the Central Intelligence Agency who had been a direct participant in this effort?

~~776~~

A That is my understanding, yes. But I think that the record should be made absolutely clear that his clearance and the process of employment was begun prior to that and that he was not operating in those private flights with the -- understands the instructions of the agency and indeed, I think that most, if not all of the agency management didn't know that he was involved in those private flights. It came as quite a shock to some of us and indeed to the management to find out that he was there.

[redacted]

Q Management didn't find that out until after they hired him?

A I don't know. You would have to ask the people who hired him and the people for whom he worked. It didn't come to my attention until after the 123 crashed and we were doing a very thorough interim review and it came to my attention in that context. Someone said there is this fellow and he does this. I brought it to the attention of my superiors. He was thoroughly debriefed and from there the story, I think, is known.

Q When you had that meeting with Don Gregg, Mr. Walker, Robert Earl, Ambassador Corr, Colonel Steele, perhaps so others that I have left out, you were certainly knowledgeable that Felix Rodriguez was a main player and involved with this private benefactor resupply effort. I believe that at the time Felix was also knowledgeable and perhaps made known names of other individuals who were involved, Richard Secord, Thomas Clines, others.

MS. McGINN: Are you asking a question?

MR. GIZA: No, no, I am making a statement.

BY MR. GIZA:

Q So all of these individual's names were being bandied about. Have you ever heard any of these names mentic in connection with the private benefactor resupply effort?

A Secord, yes; Clines, never in direct association with it. I had seen a couple of pieces of paper that let me know that Clines might be around but more on the arms side of the equation than on the air delivery side.

I still to this day, don't associate Clines with the private Benefactors that flew the flights, but I saw a couple of peices of paper which would have allowed me to make the sort of quantum leaps that intelligence officers, operations officers make, saying, well, I wonder whether he is involved.

But specifically, no. And I don't recall in that meeting Clines having been mentioned at all. I don't recall Secord necessarily having been mentioned in that meeting.

Q You knew from other information that Secord may have been involved in the operation?

A I believe by that time I had an understanding of Secord being involved.

EXHIBIT C/CATF-41

UNCLASSIFIED

# PRESIDENT'S SPECIAL REVIEW BOARD

## INTERVIEW OF

[redacted]

Room 5026
New Executive Office Building
Washington, D. C.
Thursday, January 8, 1987

The interview convened at 10:07 a.m.

BEFORE:

The Honorable John Tower, Chairman
The Honorable Edmund Muskie
General Brent Scowcroft

PRESENT:

Rhett Dawson, Esq., Director
Clark McFadden, Esq.
Nicholas Rostow, Esq.
Michele Markoff
Brian Bruh

3666

Partially Declassified/Released on 19 Aug 1987
[illegible] of E.O. 12356

A0D 1080 1

EXHIBIT
[redacted] 41

ALDERSON REPORTING COMPANY, INC.
20 F ST., N.W., WASHINGTON, D.C. 20001 (202) 628-9300

UNCLASSIFIED 693

**UNCLASSIFIED**

And that's where we are. That's the story. I think I'll just be quiet. You must have 1,001 questions now, and I'll sit back and answer them.

CHAIRMAN TOWER: Ed.

SENATOR MUSKIE: I take it from your opening statement that you had no knowledge at all of any diversion of funds from the Iran operation.

[redacted] No. I didn't know that even arms were being sold to Iran until it broke in the newspapers, and I didn't know that there was even a question of diversion of funding until sometime -- well, it was before it was announced. I forget when it was.

The Director and I took a trip to Central America just before he came back to testify in November to the committees, to the Senate, and a courier came down who was coming down to meet him with his briefs and such so he could do his work on the airplane and get ready for his testimony, and the courier said to him, you know, there may be a problem on diversion -- and that was eight or ten days before it broke in the newspapers.

CHAIRMAN TOWER: About when was that?

[redacted] The Director testified in the Senate on a Friday and this was on a Wednesday. I can't remember the exact dates. It was in November. I can divine them, though.

694 ~~640~~ ~~682~~

UNCLASSIFIED

CHAIRMAN TOWER: Was it about mid-November?

[redacted] Mid-November, yes. Does anybody know when the Director first testified to the Senate?

GENERAL SCOWCROFT: No, I don't know.

CHAIRMAN TOWER: But we can find out.

[redacted] It was before Thanksgiving. It would be the Wednesday evening before the Friday before Thanksgiving. I just don't know what date that was. And that was the first I had heard anything about it.

And then, just an hour before the Attorney General made his announcement, the DDO called me up and said this is what's happened. And I said, oh, Jesus. And that was the first I had known that that was going on.

SENATOR MUSKIE: And now you said that all through 1985 there was sufficient funding for the resistance forces to cover their needs.

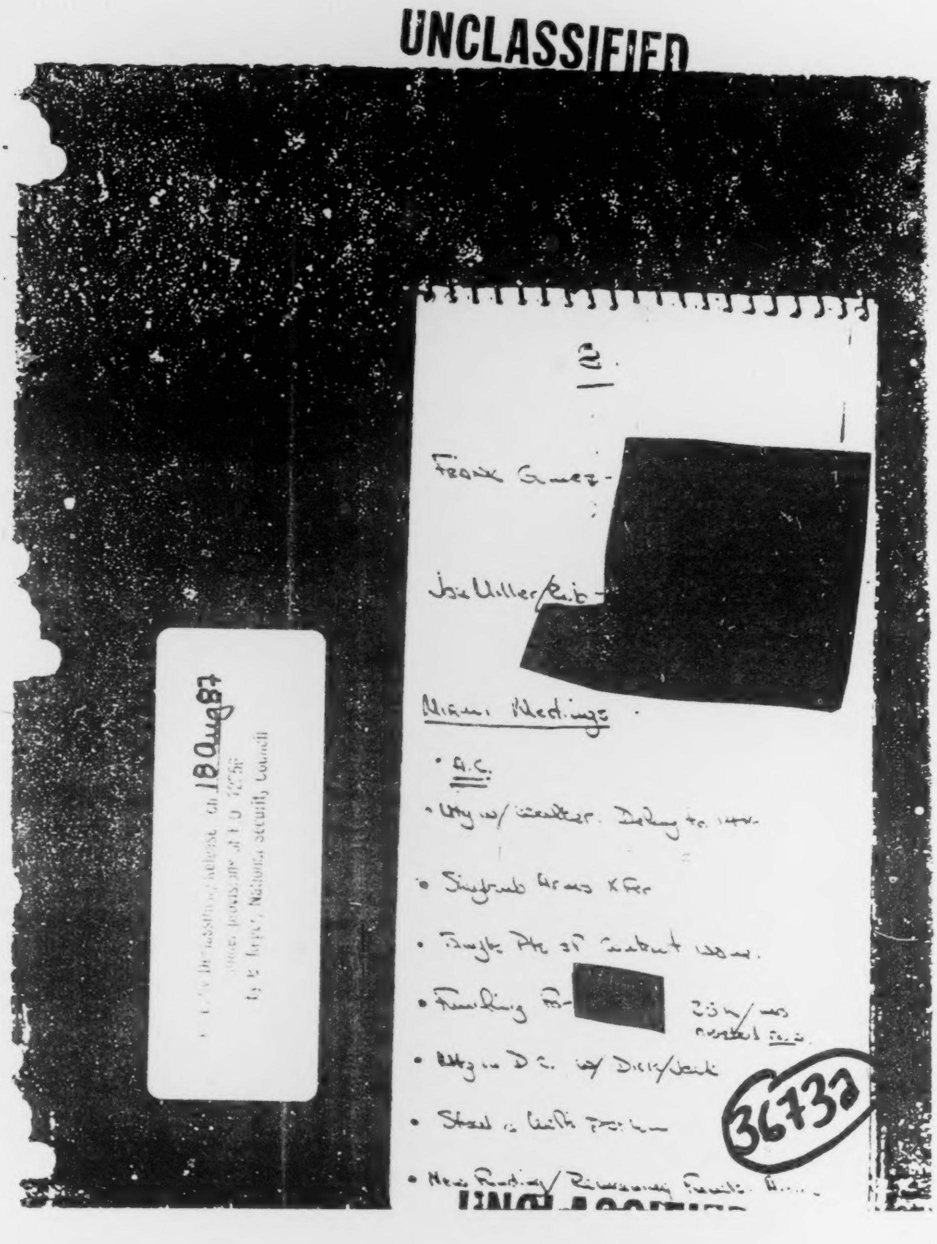
[redacted] Yes. They had enough money from August of '85-forward. Their needs were much reduced because of the humanitarian assistance offers, but still they had funds before and after that. They were able to pay their debts. They were able to buy their food and they were able to meet their payments to their individuals, yes.

SENATOR MUSKIE: How specific was your

UNCLASSIFIED

---

UNCLASSIFIED



[illegible] Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

2.

Frank Gomez - [redacted]

Joe Miller/Rich -

Miami Meetings

- A.C.
- Mtg w/ Walker. Delay to [illegible]
- Singlaub Arms Xfer
- [illegible]
- Funding for [redacted] 25 k/mo needed [illegible]
- Mtg in D.C. w/ Dick/Jack
- [illegible]
- New Funding/ [illegible]

36732

UNCLASSIFIED

EXHIBIT C/CATF-42

C 2990

UNCLASSIFIED

MEMORANDUM FOR: All CATF Personnel

FROM: C/CATF

SUBJECT: Proposed Nicaragua Legislation

1. In recent days a large number of outgoing cables have been brought to my attention addressing activities to be conducted under the proposed Nicaragua Program. Some of those cables are subject to misinterpretation, others have contained outright errors requiring corrections to be sent out to the field stations. No one is more anxious than I to lay the foundation and do the spade work now for the implementation of the proposed program of assistance, but we must be judicious in our activities and realize that the House legislation is not yet the law. As you draft cables and other papers that concern assistance for the resistance, please keep in mind that existing prohibitions on direct assistance to the Nicaraguan democratic resistance are still in force. If you are authorizing an activity or expenditure of funds, it should be first coordinated with C/CATF[redacted] who is fully abreast of what is permissible now under existing law and what activities we can undertake in preparation for implementation of the proposed program of assistance, if and when, it is signed into law by the President. We have come too far to let an oversight or failure to coordinate fully proposed activities jeopardize all of your hard work.

[redacted]

[illegible] released on 18 Aug 1987
[illegible] E.O. 12356
[illegible] Security Council

3667

EXHIBIT [redacted] 42

696
~~682~~

UNCLASSIFIED

Executive Registry 84.716

---

UNCLASSIFIED

[illegible] released on 18 Aug 87
[illegible]
[illegible] Security Council

8 June - [illegible]

A.C. - Cudd

- Probs w/ Cruz/ Robelo . . .
- Probs w/ Indians
- Mtg loc for [redacted]
  Time: 16[illegible]
  Loc:
  Place:
  [redacted]
- Funding for C/T strategic effort:

[redacted] plan to ask for funding to [redacted] w strategic command.

[redacted] ops - Dick/ [redacted]
liaison & arming of [redacted]

[redacted]

3676

710 UNCLASSIFIED

[redacted]

UNCLASSIFIED

[redacted]

C 2991
LA/CATF
OUTGOING

85 8480662 NSP
PAGE 001
TOT: 2[redacted] SEP 85 [redacted] WASH 539690

20[redacted] WASH DC 539690
TO: PRIORITY [redacted]

SUBJECT: [redacted]
DEMOCRATIC RESISTANCE [redacted] TO BE PASSED TO THE

1. ON 17 AUGUST 1985, THE PRESIDENT SIGNED THE FY 1985 SUPPLEMENTAL APPROPRIATIONS BILL. THE BILL CONTAINS LANGUAGE WHICH AUTHORIZES THE CIA TO BEGIN EXCHANGING INFORMATION WITH THE DEMOCRATIC RESISTANCE. THE CIA'S OFFICE OF GENERAL COUNSEL HAS REVIEWED THE RELEVANT LEGISLATIONS AND EXPLANATORY CONGRESSIONAL DEBATES AND FOUND THAT IT WAS CONGRESS' INTENT THAT INFORMATION SHARING INCLUDED PASSING AVAILABLE INTELLIGENCE [redacted]

2. [redacted]

3. [redacted]

4. NO FILE. DECL OADR DRV [redacted] ALL SECRET

HVCC [redacted]
[redacted] AUTH: AC/LA[redacted]: COORD: C/LA/CAT[redacted]: REL: DDO. CL [redacted]
END OF MESSAGE

OUTGOING MESSAGE

3667a

Partially Declassified [illegible] 18Aug87
[illegible]
by [illegible] National Security Council

file: ~~legal~~ intelligence

84717

UNCLASSIFIED

---

UNCLASSIFIED

[illegible] 18Aug87

8 Jun 85

- AAA Mtg
- Democracy Statement/checklist for SLC
- "Together" is everything - ES [illegible] 13th
- Congressional vote timing/[illegible]
  - Calero
- Contact w/ DSG
  [redacted]/North
- Arrangements for S. Frost
- Pastora Issue
- Private Funding Effort (NFF)
- Note recent strikes in Granada

3673c

UNCLASSIFIED

~~487~~ 711

C 2992
C

SECRET
UNCLASSIFIED

[redacted]

C/LA/CATF2
OUTGOING

85 9028122 ASR PAGE 001
TOT: 16[redacted]NOV 85 DIRECTOR 616897

[redacted]
STAFF 16[redacted]DIRECTOR 616897
TO: [redacted]

True Copy
Unc'd 18 Aug 87

SUBJECT: OUTCOME OF INTELLIGENCE AUTHORIZATION ACT CONFERENCE

1. ON 6 NOVEMBER 1985, THE HPSCI AND SSCI FINISHED WORK ON THE FY86 INTELLIGENCE AUTHORIZATION ACT RECONCILING CONFLICTING LANGUAGE IN THE BILLS THAT HAD BEEN PASSED IN EACH OF THE HOUSES. WHILE THE BILL MUST NOW BE SENT BACK TO BOTH HOUSES FOR THE VOTE ON THE COMPROMISE LANGUAGE WORKED OUT IN THE CONFERENCE AND IT STILL MUST BE SIGNED BY THE PRESIDENT, WE BELIEVE THAT THERE WILL NOT BE ANY SIGNIFICANT CHANGES IN THE BILL. WE ARE PROVIDING BELOW THE KEY ELEMENTS OF THE COMPROMISE, WHICH INCLUDE THE FOLLOWING:

- [redacted] MAY PROVIDE ADVICE, INCLUDING INTELLIGENCE AND COUNTERINTELLIGENCE ADVICE TO THE DEMOCRATIC RESISTANCE. [redacted] MAY PROVIDE INFORMATION, INCLUDING INTELLIGENCE AND COUNTERINTELLIGENCE INFORMATION TO THE DEMOCRATIC RESISTANCE.
- [redacted] IS AUTHORIZED TO SPEND UP TO [redacted] FOR COMMUNICATIONS EQUIPMENT AND RELATED TRAINING. THIS MONEY HAS BEEN APPROPRIATED TO INSURE THAT THE EXCHANGE OF INFORMATION AND ADVICE PERMITTED UNDER THE STATUTE CAN BE ACCOMPLISHED WITHOUT COMPROMISING [redacted] INTELLIGENCE SOURCES AND METHODS.
- [redacted] IS NOT AUTHORIZED, REPEAT NOT AUTHORIZED TO ENGAGE IN ACTIVITIES, INCLUDING TRAINING, OTHER THAN THE COMMUNICATIONS TRAINING PROVIDED FOR IN THE BILL, THAT AMOUNTS TO PARTICIPATION IN THE PLANNING OR EXECUTION OF MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA BY THE DEMOCRATIC RESISTANCE, OR TO PARTICIPATION IN LOGISTIC ACTIVITIES INTEGRAL TO SUCH OPERATIONS. WE ARE CURRENTLY ASSESSING THE SCOPE OF THIS PROHIBITION TO DETERMINE HOW FAR IT EXTENDS.
- [redacted] IS NOT PERMITTED TO ENGAGE IN THE SOLICITATION OF THIRD COUNTRIES TO PROVIDE FUNDS, MATERIAL, OR OTHER ASSISTANCE TO THE NICARAGUAN RESISTANCE TO SUPPORT MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA.

2. NHAO IS PERMITTED TO PROVIDE TRANSPORTATION EQUIPMENT THE RESISTANCM AS PART OF ITS CHARTER TO PROVIDE MANITARIAN ASSISTANCE TO THE RESISTANCE. THE EQUIPMENT. WEVER, MAY NOT BE MODIFIED TO BE USED
BODILY

3667b

UNCLASSIFIED

Executive Registry 84 718
698 ~~684~~

C 2993

~~SECRET~~ UNCLASSIFIED

```
--------------------------------------------------------------------------
85 9028122    ASR                    PAGE 002
                              TOT: 1[redacted]NOV 85        DIRECTOR 616897
--------------------------------------------------------------------------
```

WHILE THE ADMINISTRATION OF THE PROGRAM IS SOMEWHAT UNWIELDY DUE TO INVOLVEMENT OF NHAO AND [redacted], WE HAVE OBTAINED SUBSTANTIAL AND IMPORTANT NEW AUTHORITIES, IN PARTICULAR, THE PROVISION OF ADVICE AND COMMUNICATIONS EQUIPMENT. [redacted] IS NOW EXAMINING THE LEGISLATION AND WE WILL PROVIDE [redacted] WITH FULLER GUIDANCE ON WHAT THE ACT MEANS FOR DAY-TO-DAY OPERATIONS UPON ITS FINAL PASSAGE. WE DO NOT HAVE A SPECIFIC DATE, BUT EXPECT THIS TO BE NO LATER THAN 30 NOVEMBER 1985. IF ADDEES RECEIVE QUESTIONS FROM THEIR CONTACTS [redacted] ADDEES ARE AUTHORIZED TO SHARE SUBSTANCE OF PARAS ONE AND TWO, WITH THE EXCLUSION OF THE AMOUNT AUTHORIZED FOR COMMUNICATIONS, WHICH IS CLASSIFIED.

[redacted]

S—NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>

ORIG: [redacted] AUTH: [redacted] COORD: [redacted];REL: C/LA/CATF
[redacted]. CL BY [redacted]

END OF MESSAGE ~~SECRET~~

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MES

UNCLASSIFIED

Executive Registry 84,719

**UNCLASSIFIED**

[redacted]

C 2994

84 5425029 ASO PAGE 0001
TOT: 12[redacted] OCT 84 DIRECTOR 111894

~~SECRET~~
STAFF 12[redacted] DIRECTOR 111894
TO: IMMEDIATE [redacted]

18 Aug 87

SUBJECT: IMPACT OF CONGRESSIONAL ACTION

1. AS ADDEES ARE NO DOUBT AWARE, CONGRESS HAS SPOKEN WITH REGARD TO THE IMMEDIATE FUTURE OF THE FUNDING FOR THE [redacted] PROGRAM. THE FOLLOWING IS THE OFFICIAL TEXT OF THE OPERATIVE LANGUAGE:

A. DURING FISCAL YEAR 1985, NO FUNDS AVAILABLE TO THE CENTRAL INTELLIGENCE AGENCY, THE DEPARTMENT OF DEFENSE, OR ANY OTHER AGENCY OF ENTITY OF THE UNITED STATES INVOLVED IN INTELLIGENCE ACTIVITIES MAY BE OBLIGATED OR EXPENDED FOR THE PURPOSE OR WHICH WOULD HAVE THE EFFECT OF SUPPORTING, DIRECTLY OR INDIRECTLY, MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA BY ANY NATION, GROUP, ORGANIZATION, MOVEMENT OR INDIVIDUAL.

B. THE PROHIBITION CONCERNING NICARAGUA CONTAINED IN SUBSECTION (A) SHALL CEASE TO APPLY IF, AFTER FEBRUARY 28, 1985--

(1) THE PRESIDENT SUBMITS TO CONGRESS A REPORT --

(A) STATING THAT THE GOVERNMENT OF NICARAGUA IS PROVIDING MATERIEL OR MONETARY SUPPORT TO ANTI-GOVERNMENT FORCES ENGAGED IN MILITARY OR PARAMILITARY OPERATIONS IN EL SALVADOR OR OTHER CENTRAL AMERICAN COUNTRIES;

(B) ANALYZING THE MILITARY SIGNIFICANCE OF SUCH SUPPORT;

(C) STATING THAT THE PRESIDENT HAS DETERMINED THAT ASSISTANCE FOR MILITARY OR PARAMILITARY OPERATIONS PROHIBITED BY SUBSECTION (A) IS NECESSARY;

3667C

Executive Registry 84-7?0
700

UNCLASSIFIED

UNCLASSIFIED

STAFF C 2995

84 5425029 ASO PAGE 0002
TOT: 12[redacted] OCT 84 DIRECTOR 111894

(D) JUSTIFYING THE AMOUNT AND TYPE OF SUCH ASSISTANCE AND DESCRIBING ITS OBJECTIVES; AND

(E) EXPLAINING THE GOALS OF UNITED STATES POLICY FOR THE CENTRAL AMERICAN REGION AND HOW THE PROPOSED ASSISTANCE WOULD FURTHER SUCH GOALS, INCLUDING THE ACHIEVEMENT OF PEACE AND SECURITY IN CENTRAL AMERICA THROUGH A COMPREHENSIVE, VERIFIABLE AND ENFORCEABLE AGREEMENT BASED UPON THE CONTADORA DOCUMENT OF OBJECTIVES.

2. WE ARE IN THE PROCESS OF OBTAINING THE LEGAL READING AS TO WHAT WE CAN AND CANNOT DO[redacted] IN LIGHT OF THIS CONGRESSIONAL ACTION. UNTIL SUCH A READING IS OBTAINED[redacted] ARE TO CEASE AND DESIST WITH ACTIONS WHICH CAN BE CONSTRUED TO BE PROVIDING ANY TYPE SUPPORT EITHER DIRECT OR INDIRECT TO THE VARIOUS ENTITI[redacted] UNDER THE[redacted] PROGRAM. ALL [redacted] ARE, UNTIL FUTHER NOTICE, TO BE SOLELY REPEAT SOLELY FOR THE PURPOSE OF COLLECTING POSITIVE AND COUNTERINTELLIGENCE INFORMATION OF INTEREST TO[redacted]

3. WE WILL KEEP ADDEES POSTED ON RELATED DEVELOPMENTS AS THEY OCCUR.

4. PLEASE ENSURE THAT ALL[redacted] PERSONNEL BOTH PCS AND TDY READ AND ACKNOWLEDGE THE CONTENTS OF THIS MESSAGE.

5. FILE:[redacted] DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/LA/CATF[redacted] REL: C/LA. CL BY[redacted]

END OF MESSAGE ~~SECRET~~

** TEMPORARY WORKING COPY -- DESTROY AFTER USE **

Executive Registry 84.721

UNCLASSIFIED

C 2996

SECRET

UNCLASSIFIED

LADORECORD
OUTGOING

[redacted]

84 5470710 ASP PAGE 001
TOT: 1[redacted] OCT 84 DIRECTOR 119255

~~SECRET~~
STAFF 19[redacted] DIRECTOR 119255
TO: PRIORITY [redacted]

SUBJECT: [redacted]

1. THE FOLLOWING IS AN EXTRACT OF A STATEMENT READ OF THE CONGRESSIONAL RECORD BY CONGRESSMAN BOLAND CONCERNING THE FY-84 [redacted] APPROPRIATIONS BILL:

" LET ME MAKE VERY CLEAR THAT THIS PROHIBITION APPLIES TO ALL FUNDS AVAILABLE FOR FISCAL YEAR 1985 REGARDLESS OF ANY ACCOUNTING PROCEDURE AT ANY AGENCY. IT CLEARLY PROHIBITS ANY EXPENDITURE, INCLUDING THOSE FROM ACCOUNTS FOR SALARIES AND ALL SUPPORT COSTS. THE PROHIBITION IS SO STRICTLY WRITTEN THAT IT ALSO PROHIBITS TRANSFERS OF EQUIPMENT ACQUIRED AT NO COST.

"TO REPEAT, THE COMPROMISE PROVIDION CLEARLY ENDS U.S. SUPPORT FOR THE WAR IN NICARAGUA. SUCH SUPPORT CAN ONLY BE RENEWED IF THE PRESIDENT CAN CONVINCE THE CONGRESS THAT THIS VERY STRICT PROHIBITION SHOULD BE OVERTURNED."

2. WE PASS ON THIS PIECE OF LEGISLATIVE HISTORY IN ORDE TO IMPRESS UPON ADDEES THE FULL INTENT OF THE CONGRESSIONAL PROHIBITION OF THE RESULTANT "RESTRICTIONS UNDER WHICH WE MUST GOVERN ALL [redacted]. WE ARE GOING TO BE UNDER VERY CLOSE SCRUTINY ON THIS QUESTION AND WE MUST TAKE EVERY PRECAUTION TO ENDURE THAT WE ARE NOT IN VIOLATION OF CONGRESSIONAL PROHIBITION EITHER FACT OR IN SPIRIT.

FILE: [redacted] DECL OAD DRV HUM 4-82. ALL SECRET.>
ORIG: C/LA/CATF [redacted]; AUTH: C/LA/CATF; COORD: DDO/LEGAL (SUBSTANCE); REL: C/LA/CATF. CL BY [redacted]

END OF MESSAGE ~~SECRET~~

18Aug87

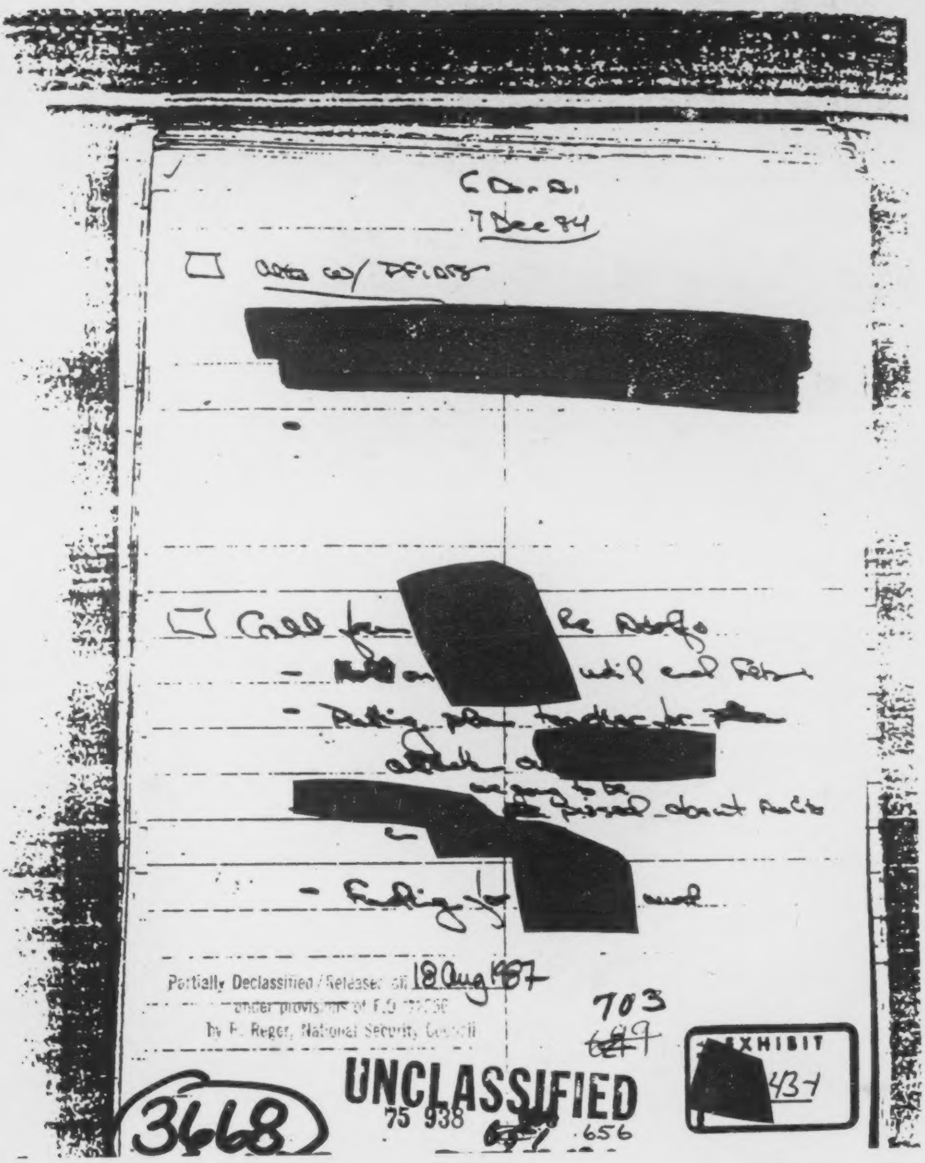
366Td

UNCLASSIFIED

Executive Registry 84,722

## Exhibit C/CATF-43-1

UNCLASSIFIED



[illegible]
7 Dec 84

☐ [illegible] w/ [illegible]

[redacted]

☐ Call from [redacted] re Adolfo
- Hold on [redacted] until end Feb
- Putting plan together for plane attack on [redacted]

[redacted] we going to be pissed about Aircraft
- Funding for [redacted] need

Partially Declassified / Released on 18 Aug 1987
under provisions of E.O. 12356
by K. Reger, National Security Council

703
~~699~~

EXHIBIT
[redacted] 43-1

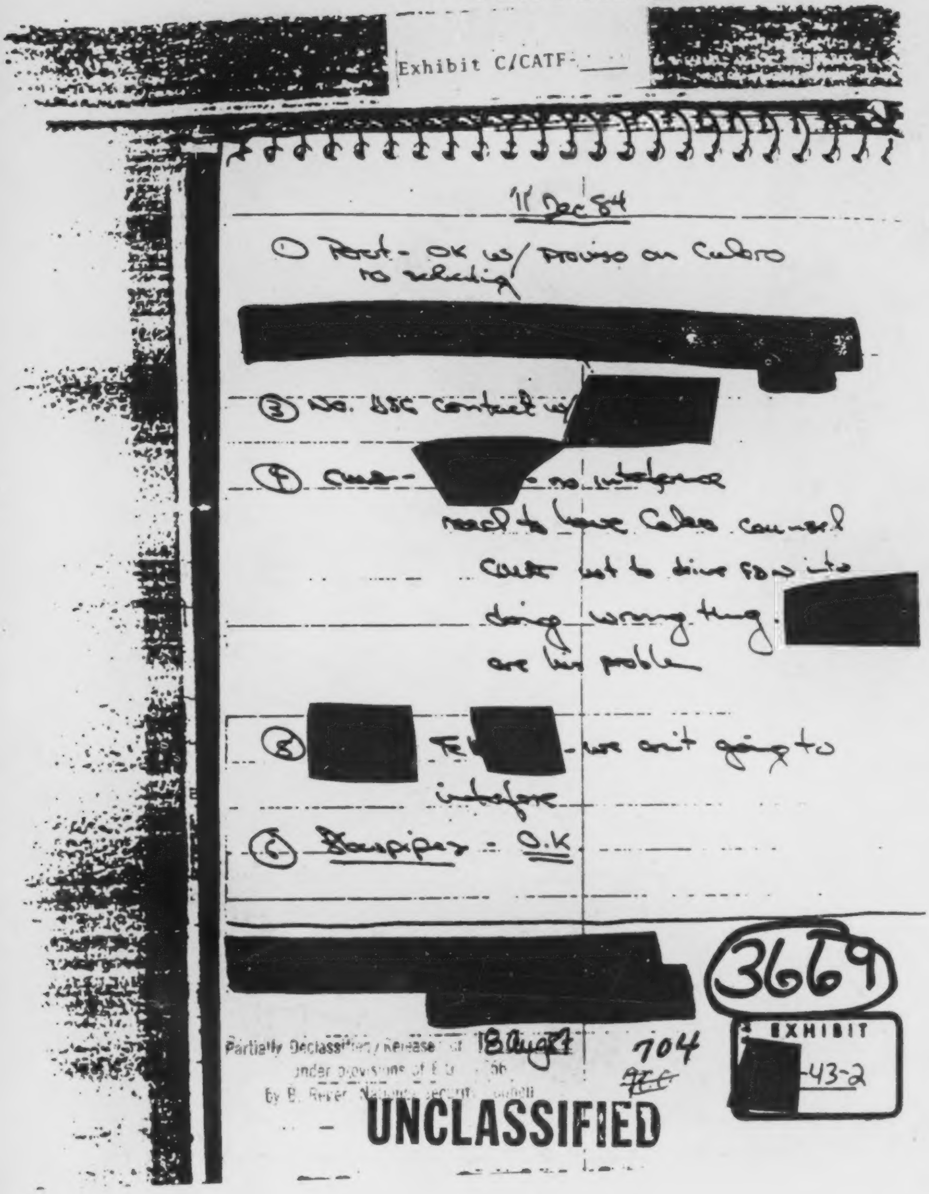
UNCLASSIFIED

3668

75 938

~~651~~ 656

## EXHIBIT C/CATF-43-2



UNCLASSIFIED

Exhibit C/CATF-____

11 Dec 84

① Port - OK w/ proviso on Calero to selecting

[redacted]

③ No. NSC contact w/ [redacted]

④ Case - [redacted] - no interference
need to have Calero counsel
Cuts not to drive FDN into
doing wrong thing. [redacted]
are his proble

⑤ [redacted] Te[redacted] - we ain't going to
interfere

⑥ Blowpipes = O.K.

[redacted]

3669

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

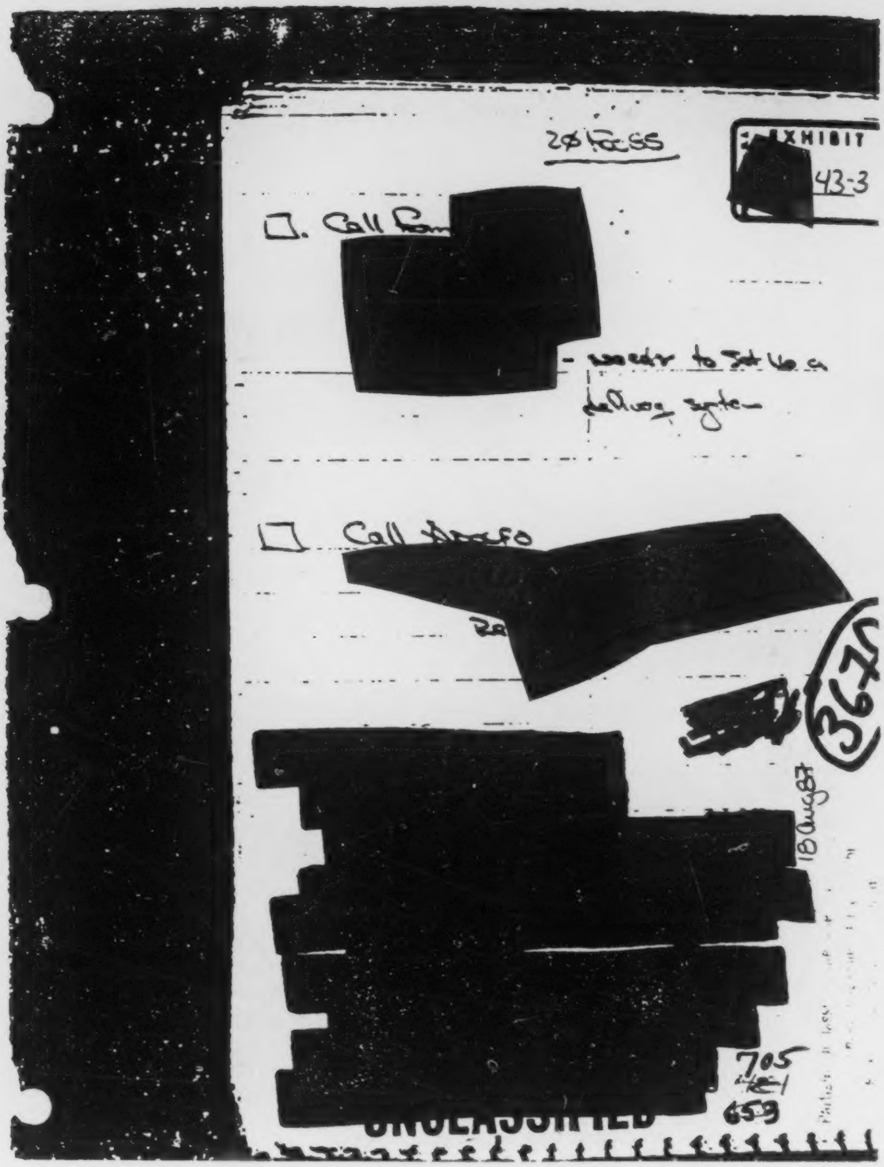
704
~~9EC~~

EXHIBIT
[redacted] -43-2

UNCLASSIFIED

## EXHIBIT C/CATF-43-3

**UNCLASSIFIED**



[illegible]

EXHIBIT [redacted] 43-3

☐. Call [illegible] [redacted] - wants to set up a delivery system

☐ Call [illegible] [redacted]

[redacted]

[redacted]

18 Aug 87

367n

705
[illegible]
659

UNCLASSIFIED

**EXHIBIT C/CATF-43-4**

Document

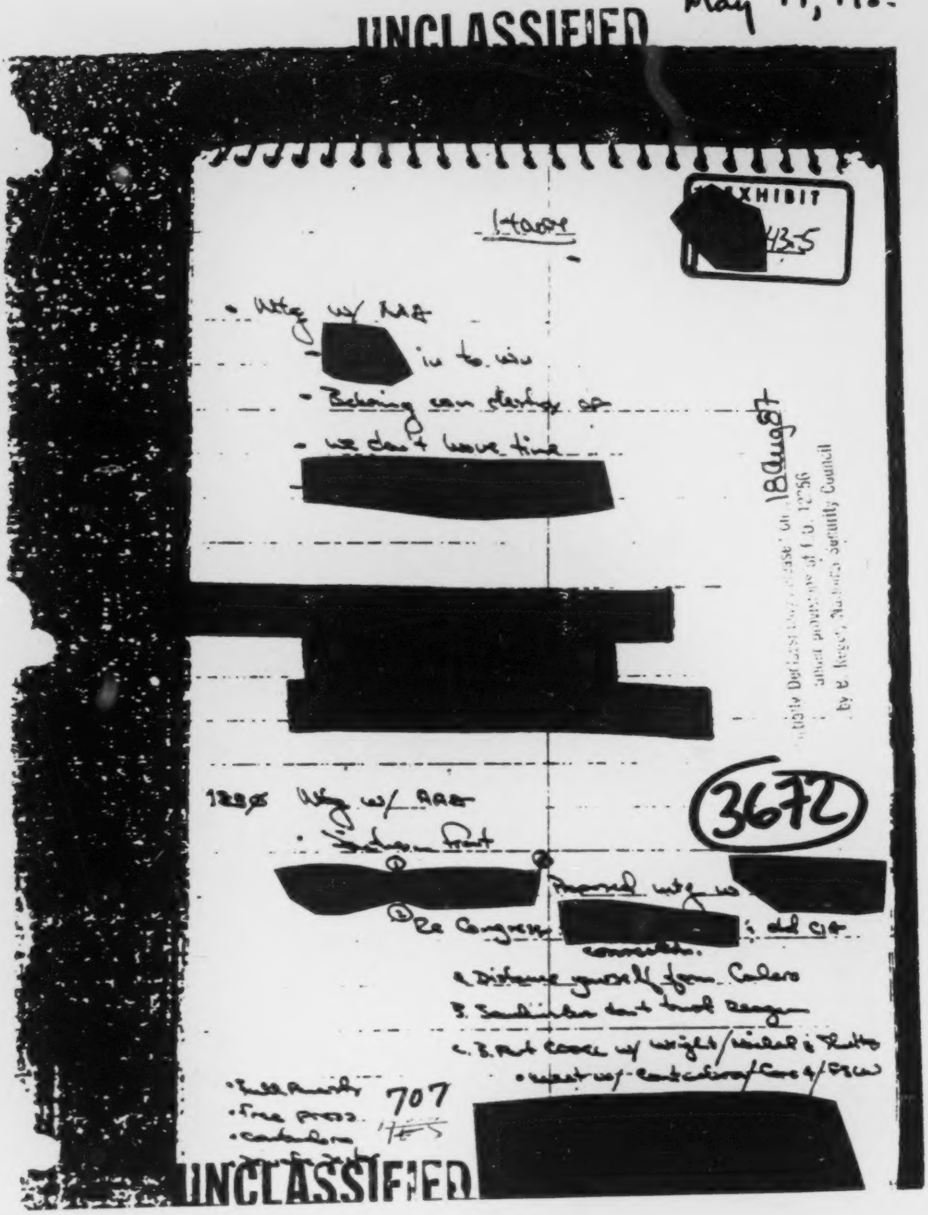
Exhibit 43-4

Deleted in its

Entirety

3671

## EXHIBIT C/CATF-43-5



May 14, 198

UNCLASSIFIED

EXHIBIT [redacted] 43-5

Hawk

- Mtg w/ MA
  - [redacted] in to win
  - Boeing can deliver up
  - we don't have time
  - [redacted]

[redacted]

1200 Mtg w/ ARG
- Southern Front

[redacted] ② Proposed mtg w/ [redacted]

③ Re Congress [redacted] ; did CIA commitments.

a. Distance yourself from Calero

b. Sandinistas don't trust Reagan

c. B. Fut Cooper w/ Wright/Michel & Hutto
- what w/ Contadora/Core 4/FSLN

- Full amnesty
- Free press
- Contadora

707

[redacted]

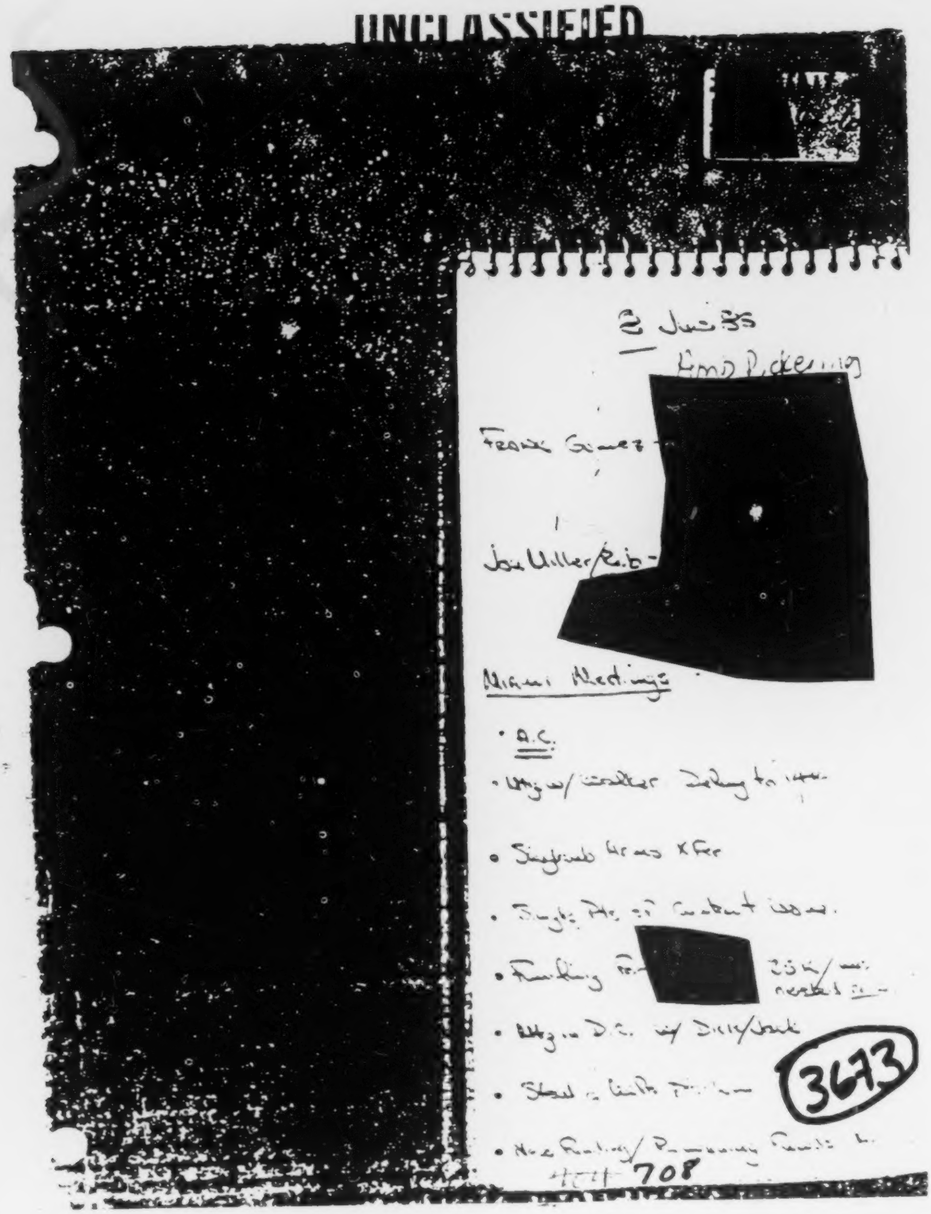
3672

Partially Declassified/Released on 18Aug87 under provisions of E.O. 12356 by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT C/CATF-43-6

UNCLASSIFIED



[redacted]

8 Jun 85

Amb Pickering

Frank Gomez - [redacted]

Joe Miller/Reich -

Miami Meetings

- A.C.
- Mtg w/ Walter Delong to [illegible]
- Singlaub Arms XFer
- Single Pts of Contact [illegible].
- Funding Fr[redacted] 25K/mo needed [illegible]
- Mtg in D.C. w/ Dick/Jack
- Stand in [illegible]
- New Funding/ Promising Results [illegible]

3673

~~401~~ 708

18Aug87

UNCLASSIFIED [illegible] ~~147~~

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3 June - Miami

[redacted] Check w/ Correspondent

Mtg w/ [redacted]

[redacted] lives w/ [illegible]
[illegible] to. Mtg. — [redacted]

[redacted] said, of [redacted]
have a feeling of despair
2 [illegible] need to be [illegible]
in designating a case.

[redacted]

3673d

UNCLASSIFIED

UNCLASSIFIED

[illegible] released on 18 Aug 87
[illegible] 12356
[illegible] Security Council

8-9 June (Miami)

ARDE Pastora's charge re leaving
- Fuerzas left in middle of
offensive

- - Pastora met w/ [redacted]

[redacted] called

[redacted]

* Do you trust [redacted]

[illegible] does not

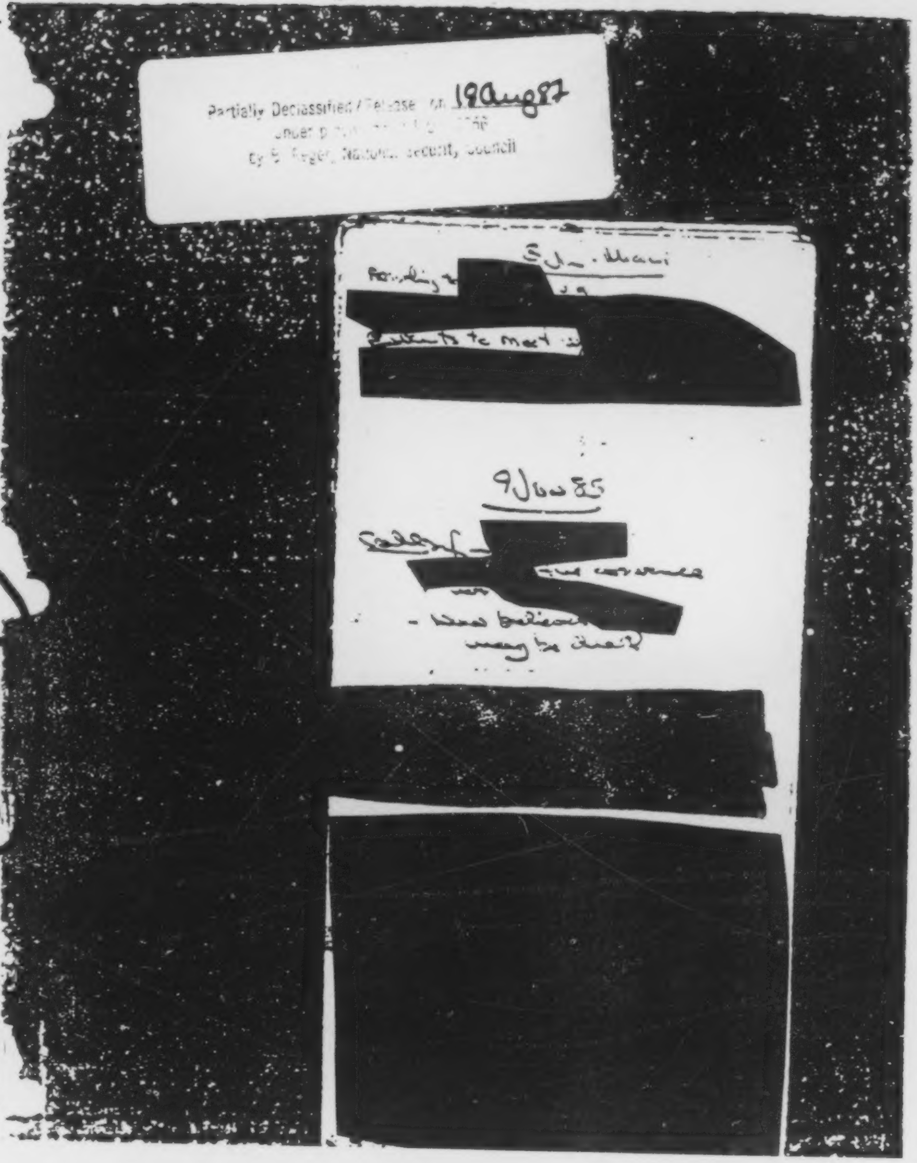
[redacted] as commander [redacted]

" funding to future

wants [illegible]

UNCLASSIFIED 3673e

UNCLASSIFIED



Partially Declassified / Released on 19Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

5 Jun - Miami

Pending [redacted] [illegible]

[redacted]

[illegible] to meet [illegible]

[redacted]

9 Jun 85

[illegible] - [redacted] [illegible] conference [illegible]

- Were believers [redacted] may be there?

[redacted]

[redacted]

NCLASSIFIED 36734

8 pages of note 10 June denied in their entireties.

36739

UNCLASSIFIED

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[illegible] - Call fr [redacted]
- All will go t [redacted]
- All [illegible] [illegible]

1330 Mtg w/ Cong Stump, McCurdy,
= Lagomarsino, Broomfield, Cheney

Veto signed if Boland passes

• McCurdy we will [redacted]

• [illegible]: Pgm w/ Boland

UNCLASSIFIED 716

Q6734

UNCLASSIFIED

Partially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by [illegible] National Security Council

[redacted]

Secret

7 [illegible] Cong Mtg. (cont'd)

McCurdy - what has been signed in Contadora

... Michel: only 2 docs "initialed"

Broomfield. wants Contadora summary.

Secret

[redacted]

[redacted]

NCLASSIFIED

36731

UNCLASSIFIED

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

Ø Jul

[redacted]

1125 - Call

[redacted]

1730 - Call from [redacted] - by 1900
to 2100

1135 - [redacted] Call:

① Toyo [illegible] 2400

[redacted]

② { [illegible] until [illegible] 2130 [illegible]

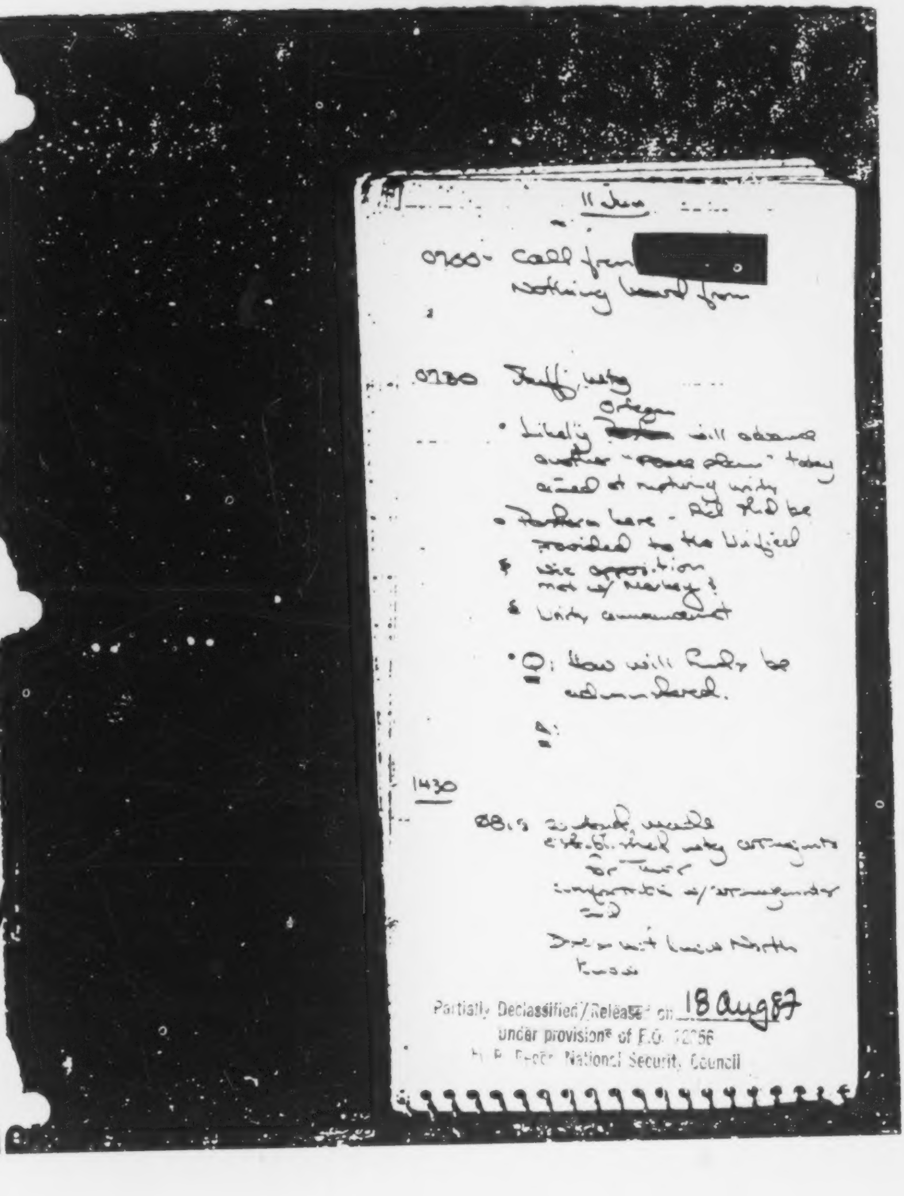
[illegible] - Leave fr [redacted] one)

③ Tonite

36731

UNCLASSIFIED

3673K



11 Jun

0700 - Call from [redacted]
Nothing heard from

0730 Staff mtg
- Likely ~~[illegible]~~ Ortega will advance another "peace plan" today aimed at rupturing unity
- [illegible] here - [illegible] should be provided to the Unified
$ via opposition
mech of money?
& Unity [illegible]
- Q: How will funds be administered.

A:

1430

OB: [illegible] established entity arrangements for [illegible]
[illegible] w/ [illegible]
[illegible]

Does not know North
[illegible]

Partially Declassified/Released on 18 Aug87
under provisions of E.O. 12356
by [illegible] National Security Council

UNC

UNCLASSIFIED

11 June

1130
Call [redacted]

- Proposals for Contingencies T.P.
-

1830

[redacted]

At home [until ?] → 1200

12 June 85

0730

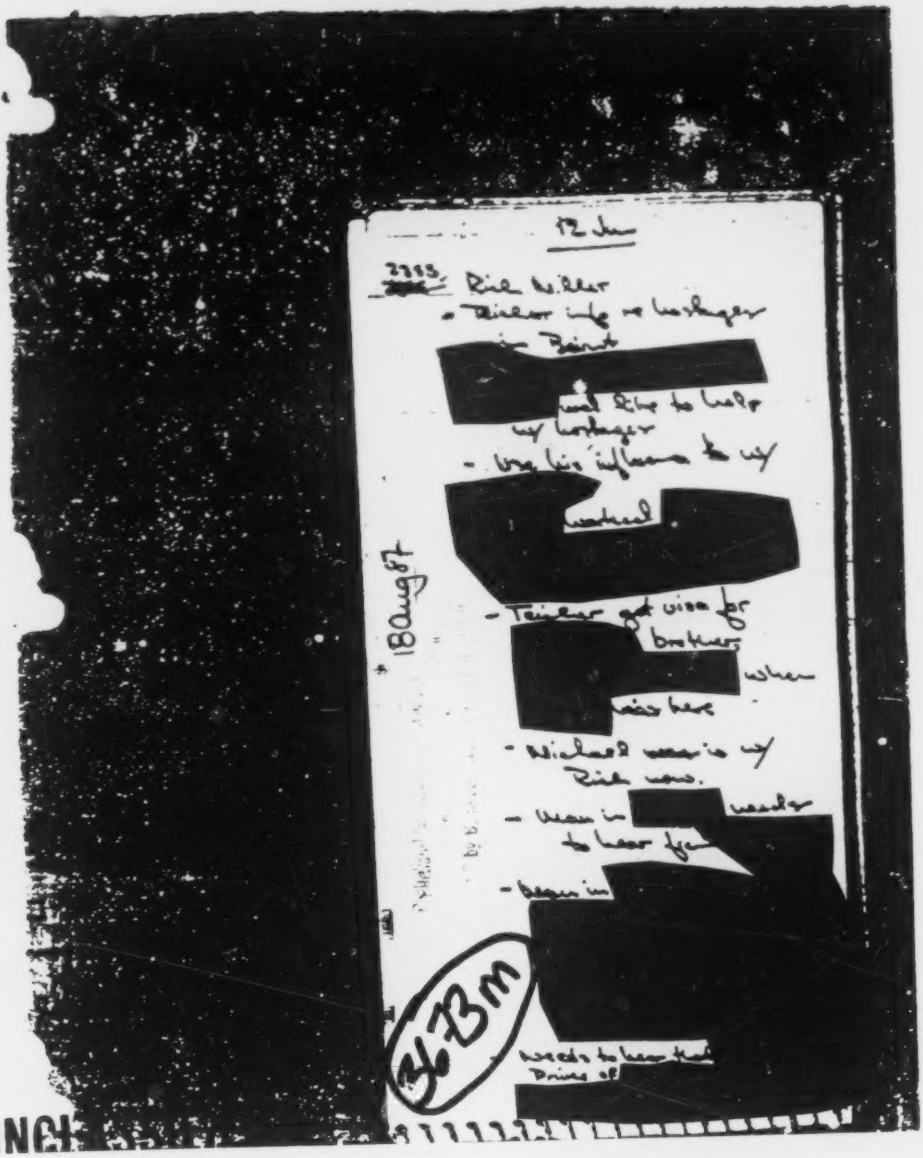
3673L

[redacted]

UNCLASSIFIED

Partially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED



12 Jun

2333 Rich Miller
- Teicher info re hostages in Beirut

[redacted]

would like to help w/ hostages
- Use his influence to w/

[redacted]

worked

- Teicher got visa for brothers

[redacted]

when was here

- Michael Ledeen is w/ Rich now.
- Iran in [redacted] needs to hear from [redacted]
- Deaver in [redacted]

needs to hear that Prince of [redacted]

18Aug87

36-73M

UNCL

Partially declassified/released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

**UNCLASSIFIED**

12 Jun 85

Conference issues:
- ? ([illegible] [illegible] [illegible])
- Time ([illegible] [illegible] 86
- Restructuring - Vehicles
- Agency ([illegible])
- Brief with Dole

[redacted]

Press Thank you letters
1 Lehman
2 [illegible]
3 [illegible]
4 Lehman
5 [illegible]
6 [illegible] Channel

3673n

1400 - Walt Raymond [redacted] (Sept)
$75K for
NED - [illegible]

**UNCLASSIFIED**

[illegible] Released 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

18 Jun 85

Walker arrives at
1200

[redacted]

- Walker arrives 12:20

- Meet Dave D. Walker 19:28
[illegible] at 8:20 p.m.

Mtg w/ [illegible]

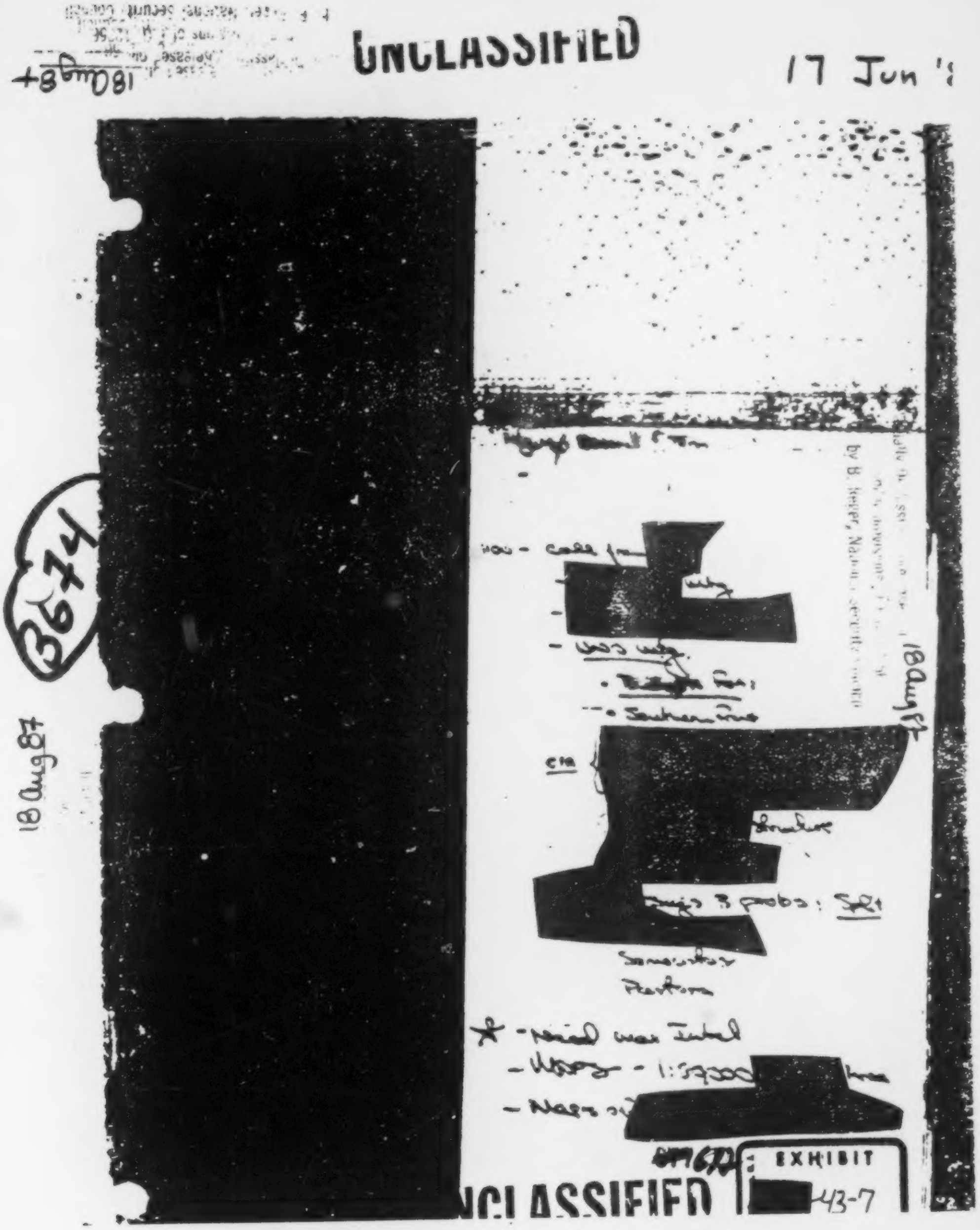
[redacted]

- Delivery modalities

36730

UNCLASSIFIED

EXHIBIT C/CATF-43-7



18Aug87

UNCLASSIFIED

17 Jun '

[redacted]

[illegible] & Tom

1100 - Call from [redacted]

- [redacted] why

- USG why.

• [illegible] Front

• Southern Front

CIA [redacted]

Structure

[redacted] 3 probs: [illegible]

[illegible]

* - period was Intel

- USG - 1:37000 [redacted] hrs

- [illegible] [redacted]

by B. Reger, National Security Council

18Aug87

3674

18Aug87

UNCLASSIFIED

EXHIBIT

[redacted] 43-7

**Exhibit C/CATF-43-8**

Document

Exhibit 43-8

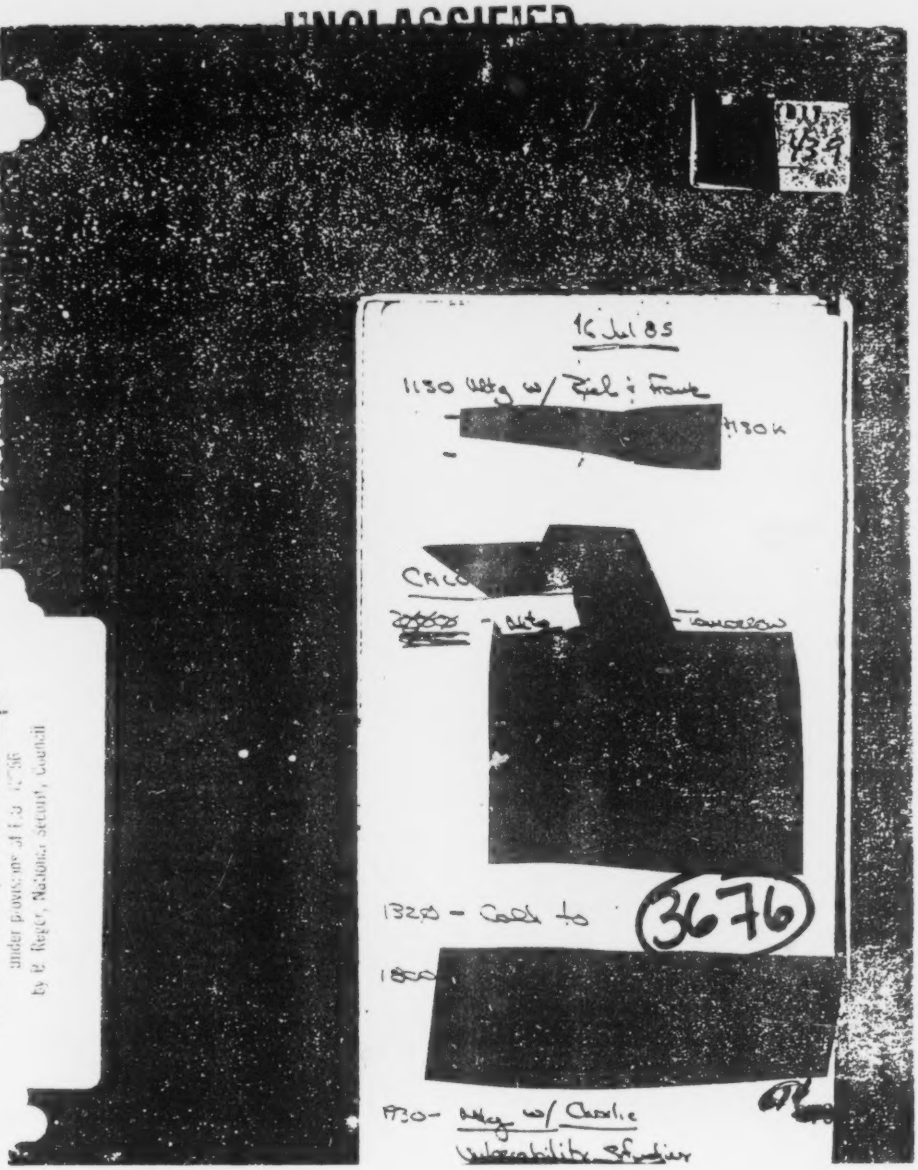
Deleted in its

Entirety

3675

## EXHIBIT C/CATF-43-9

UNCLASSIFIED



43-9

16 Jul 85

1130 Mtg w/ Rich & Frank

[redacted] 1130 K

CALC[redacted]

~~xxxxx~~ - Mtg [redacted] Tomorrow

1320 - Calls to

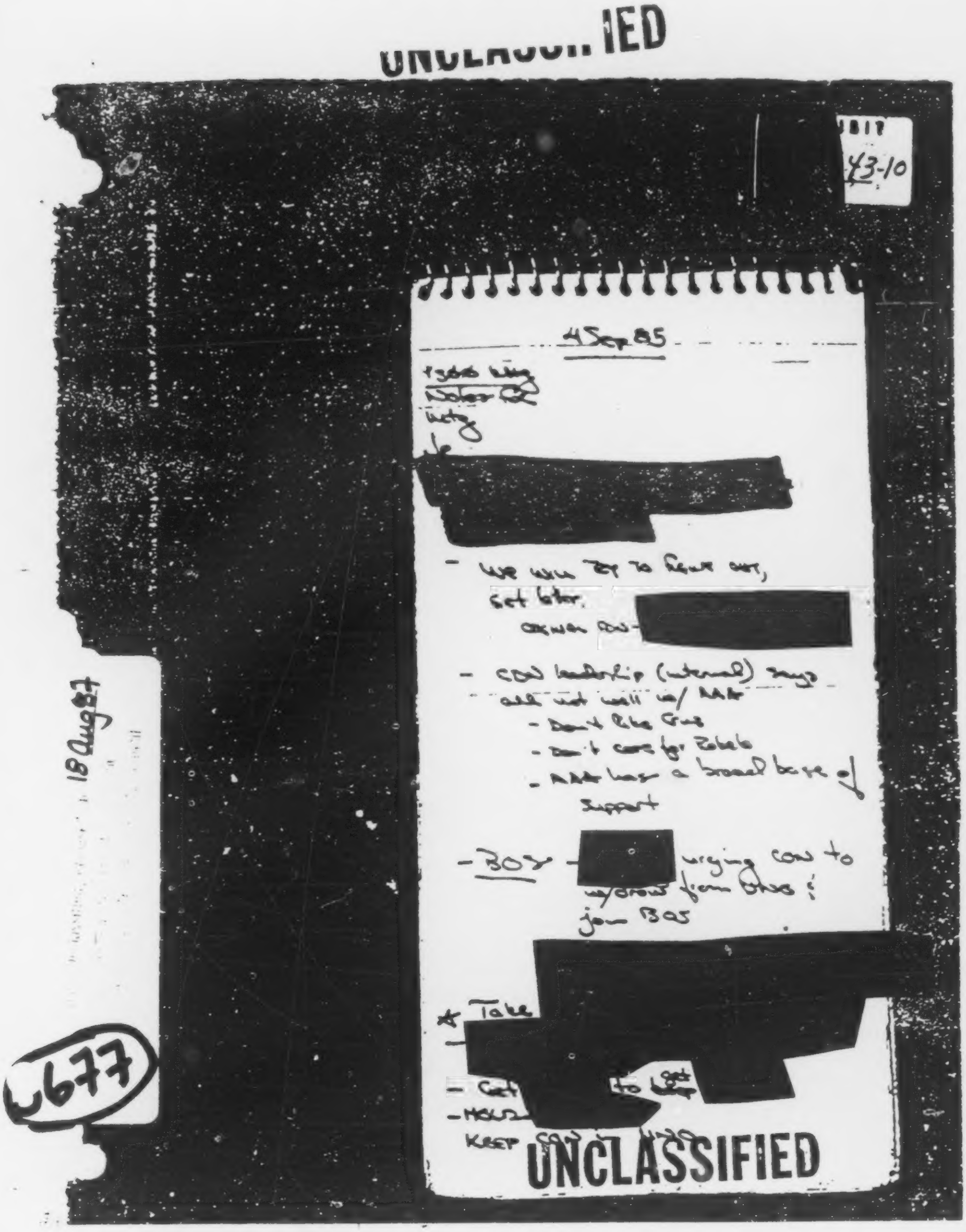
(3676)

1800 [redacted]

1930 - Mtg w/ Charlie
Vulnerability Studies

Partially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

## EXHIBIT C/CATF-43-10



UNCLASSI… IED

…IBIT
43-10

4 Sep 85

1300 Mtg
Notes for
Mtg

[redacted]

- We will try to figure out,
  get letter.
  answer soon - [redacted]

- CON leadership (internal) says
  all not well w/ AAA
  - Don't like Cruz
  - Don't care for Robelo
  - AAA has a broad base of
    support

- BOS - [redacted] urging CON to
  w/draw from UNO &
  join BOS

★ Take [redacted]

- [redacted]

- Get [redacted] to get keep

- Hold [redacted]

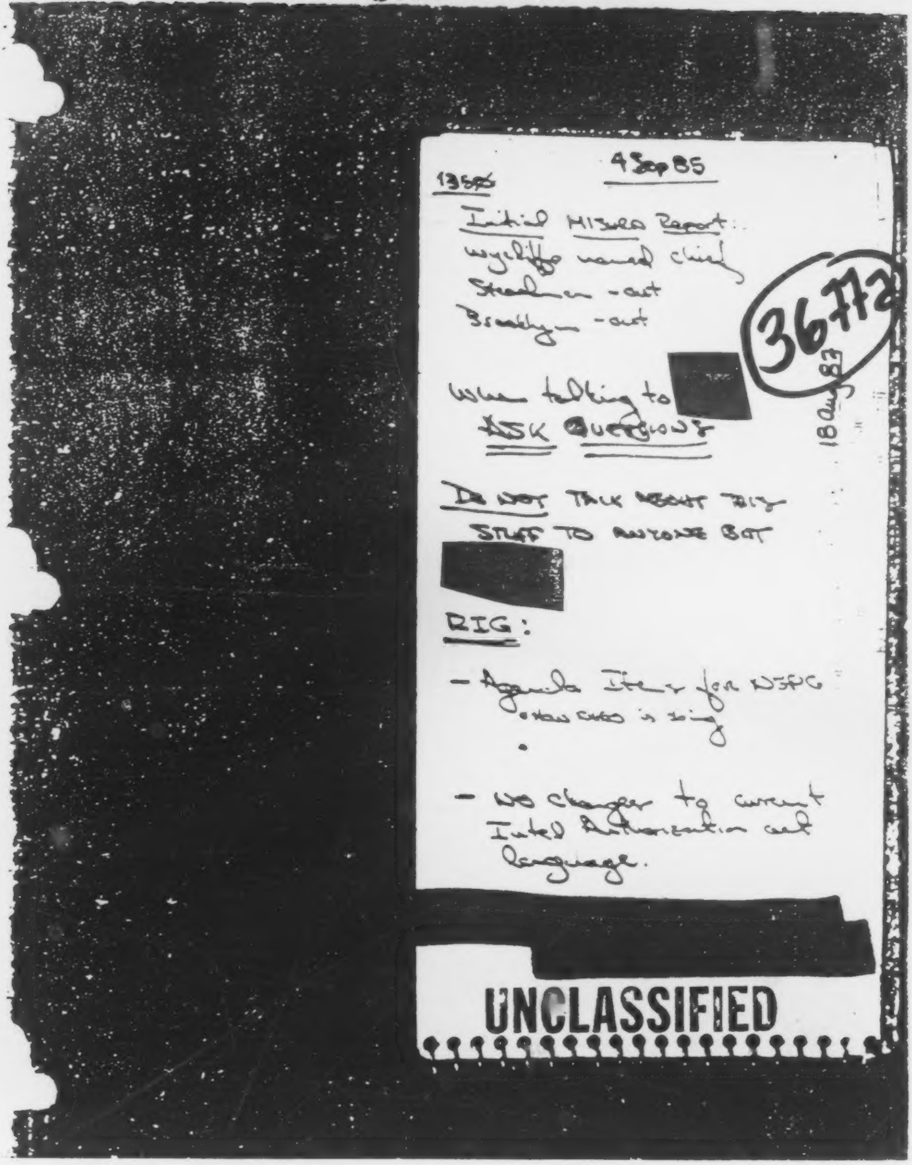
Keep CON [illegible]

UNCLASSIFIED

18 Aug 87

677

UNCLASSIFIED



1350

4 Sep 85

Initial MISURA Report:
Wycliffe named chief
Steadman - out
Brooklyn - out

36772
18 Aug 87

When talking to [redacted]
ASK QUESTIONS

DO NOT TALK ABOUT THIS
STUFF TO ANYONE BUT
[redacted]

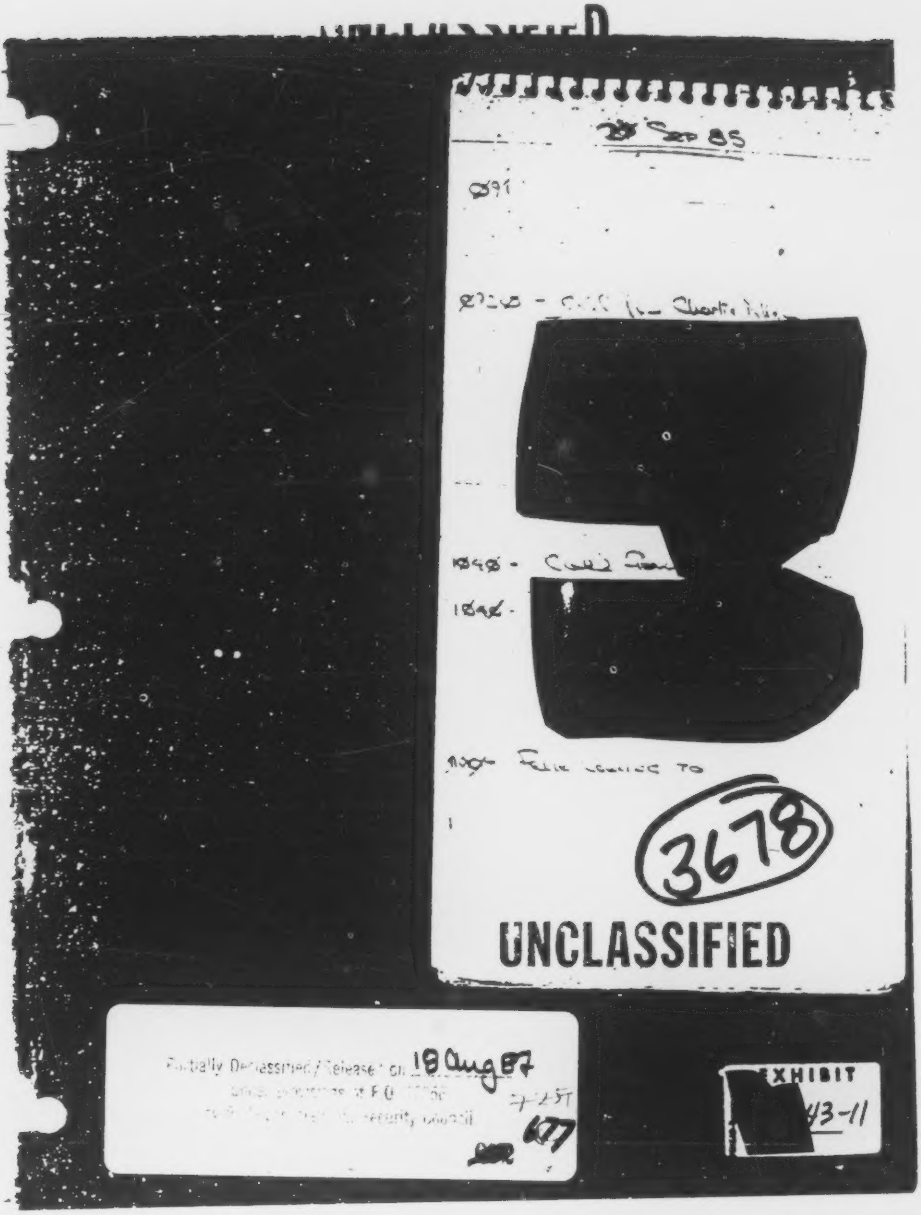
RIG:

- Agenda Items for NSPG
  - How UNO is doing
  -
- No changes to current Intel Authorization act language.

[redacted]

UNCLASSIFIED

# EXHIBIT C/CATF-43-11



UNCLASSIFIED

28 Sep 85

0911

0730 - Call fr Charlie Allen

[redacted]

1040 - Call from

1040 -

[redacted]

1100 - Felix called to

3678

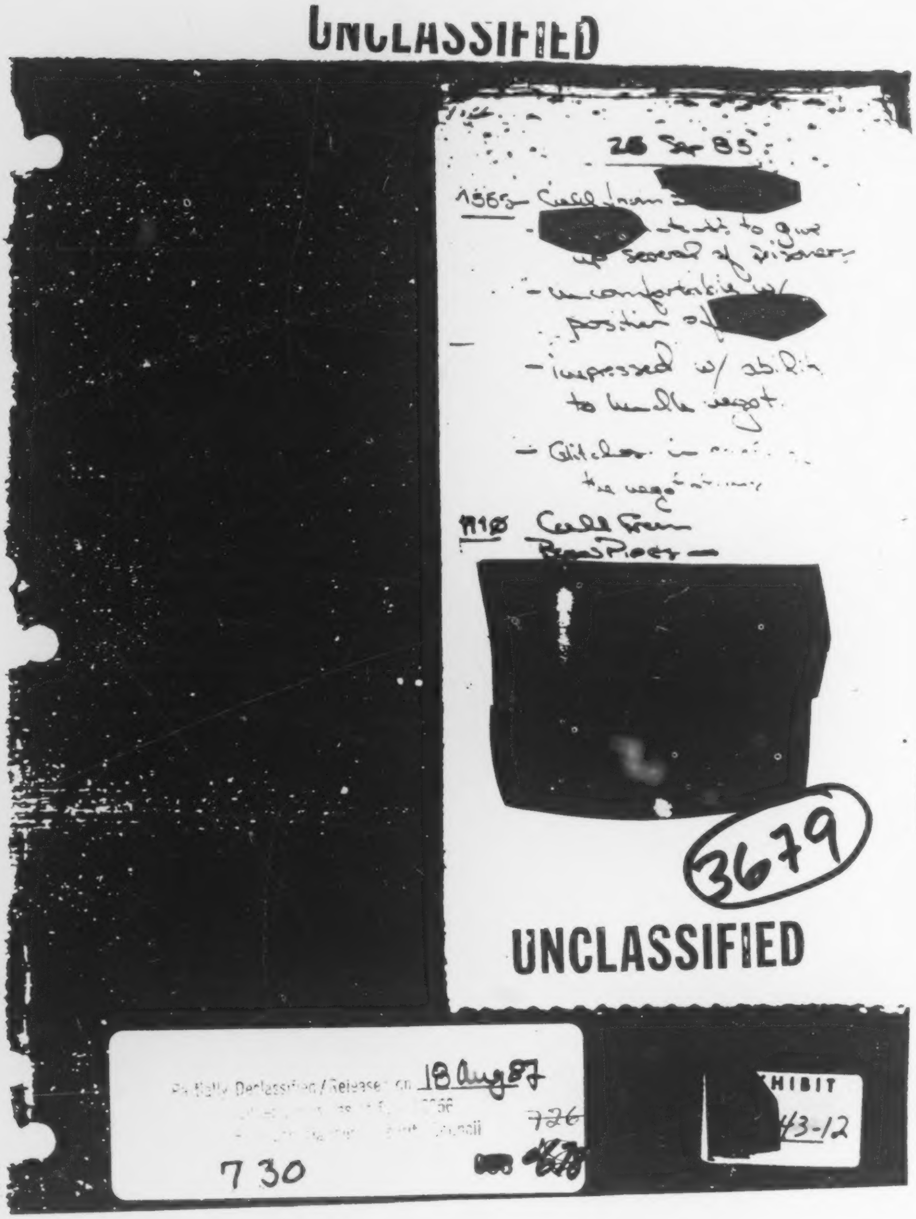
UNCLASSIFIED

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by [illegible] National Security Council

7-25T
677

EXHIBIT
[redacted] 43-11

EXHIBIT C/CATF-43-12



UNCLASSIFIED

25 Sep 85

1565 – Call from [redacted]

- [redacted] [illegible] to give up several of prisoners

- uncomfortable w/ position of [redacted]

- impressed w/ ability to handle negot.

- Glitches in [illegible] the negotiations

1910 Call from [illegible] —

[redacted]

3679

UNCLASSIFIED

Partially Declassified / Released on 18 Aug 87 [illegible]

~~726~~

730

[redacted] [illegible]

[redacted]HIBIT

43-12

## EXHIBIT C/CATF-43-13

**UNCLASSIFIED**

1985

Partially Declassified/Released on 8Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

18Aug87

15 Nov

- Call Elliott Re Call to [redacted]

11653
12193
13142
17342 } no back tracing

16 Nov

Mtg w/ Gadd, Copp, Olmstead

- Calero - needs to close off ~~[illegible]~~ Access to [redacted] Tell [redacted] that ACE is O.K.

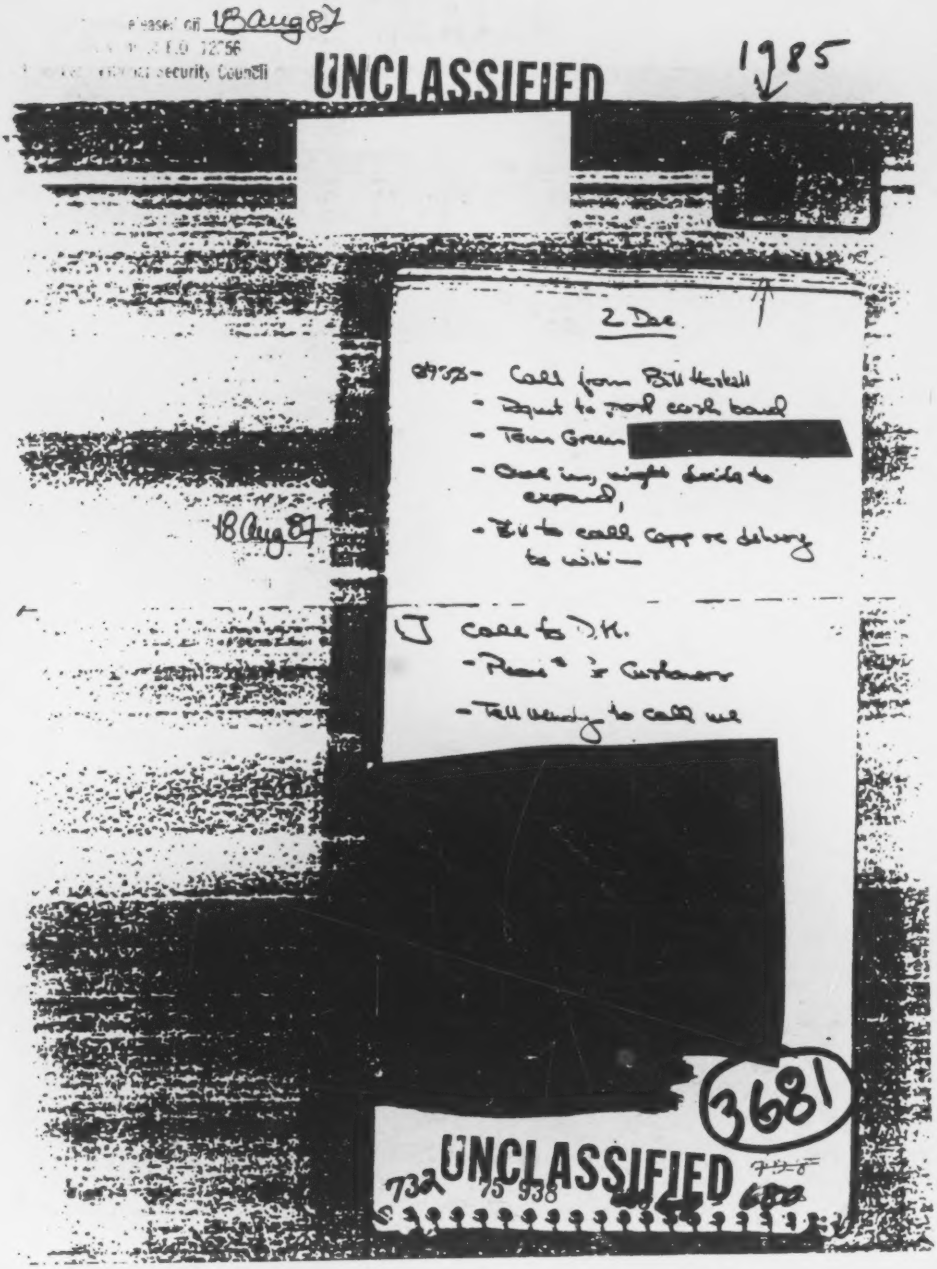
3680

**UNCLASSIFIED**

EXHIBIT [redacted] 43-13

731 ~~[illegible]~~ 679 75 938. ~~[illegible]~~ 679

## EXHIBIT C/CATF-43-14



Released on 18aug87
[illegible] E.O. 12356
[illegible] National Security Council

UNCLASSIFIED

1985

[redacted]

2 Dec

0930 - Call from Bill Haskell
- Request to post cash bond
- Tom Green [redacted]
- Once in, might decide to expand,
- Bill to call Copp re delivery to wili—

18 Aug 87

☐ Call to D.K.
- Phone # & Customers
- Tell Wendy to call me

[redacted]

3681

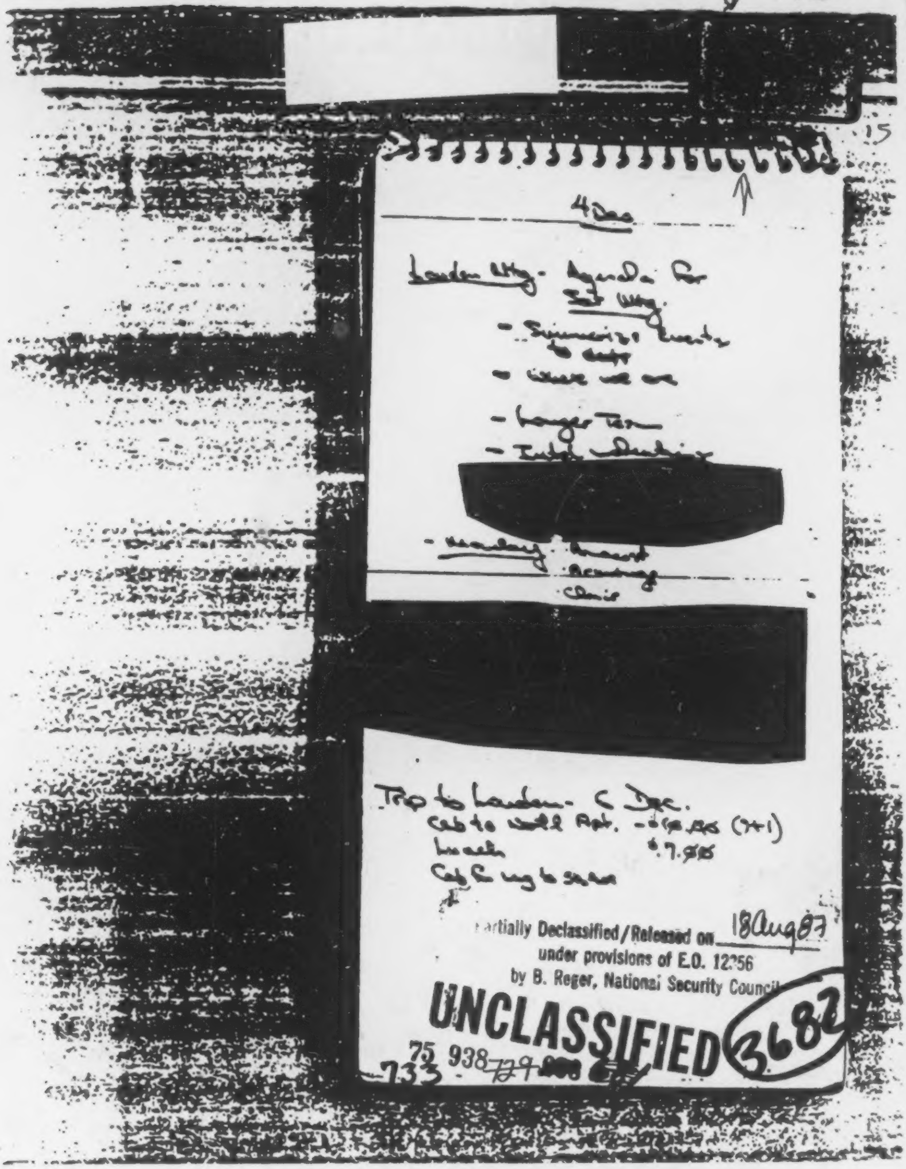
UNCLASSIFIED

732 75 938

EXHIBIT C/CATF-43-15

**UNCLASSIFIED**

1985



[redacted]

15

4 Dec

London Mtg - Agenda for
1st Mtg.
- Summarize events to date
- Where we are
- Longer Term
- Intel sharing

[redacted]

- [illegible] - Amount
- Armoring
- Chain

[redacted]

Trip to London - 6 Dec.
Cab to Natl Apt. - $15.00 (7+1)
Lunch $7.00
Cab fr. [illegible] to station

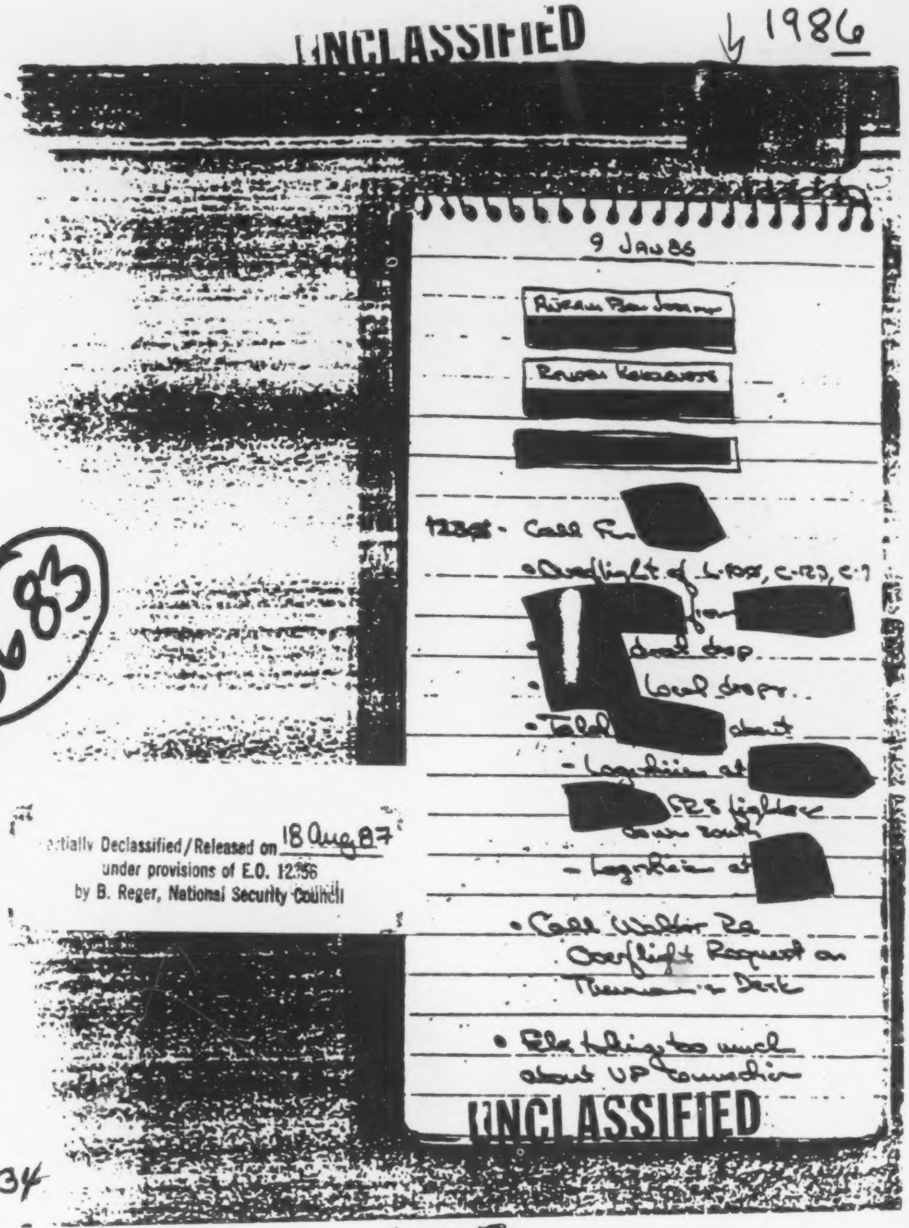
Partially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

3682

75 938 ~~729~~ 733

EXHIBIT C/CATF-43-16



UNCLASSIFIED

↓ 1986

9 JAN 86

[illegible]
[redacted]

[illegible]
[redacted]

[redacted]

1200 - Call fm [redacted]

- Overflight of L-100, C-123, C-7 [redacted] from [redacted]
- [redacted] [illegible] drop
- [redacted] local drops..
- Told [redacted] about
  - Logistics at [redacted]
  - [redacted] FRS fighter cover south
  - Logistics at [redacted]
- Call Walker Re Overflight Request on Thurman's Desk
- Felix talking too much about VP connection

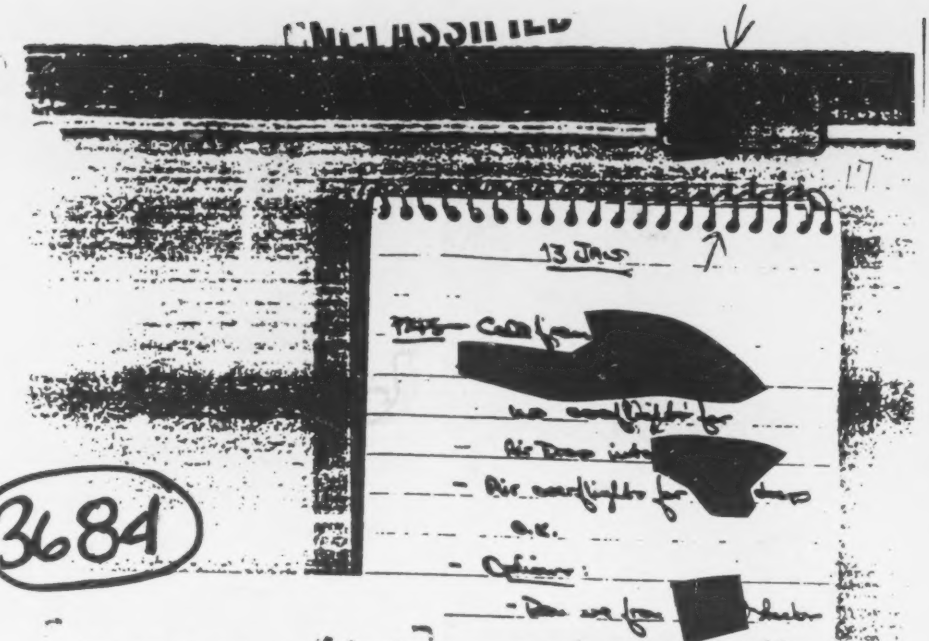
UNCLASSIFIED

3683

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

734

EXHIBIT C/CATF-43-17



UNCLASSIFIED

17

13 JAN

[illegible] — Call from [redacted]

[illegible] airflights for

– Air Drop into [redacted]

– Air airflights for [redacted] drop

o.k.

– Options:

– [illegible] from [redacted] [illegible]

[illegible] for uniforms/boots/etc.

[illegible]

[redacted]

1015 – Call from [redacted]

[illegible] arrived

[illegible] work underway

– 7-14 days for [illegible]

– need expert on constructing bldgs.

– need $ for Rd and construction

– arrangements made for moving

[illegible] + [illegible] Rogers + Collins.

– [illegible]

[redacted]

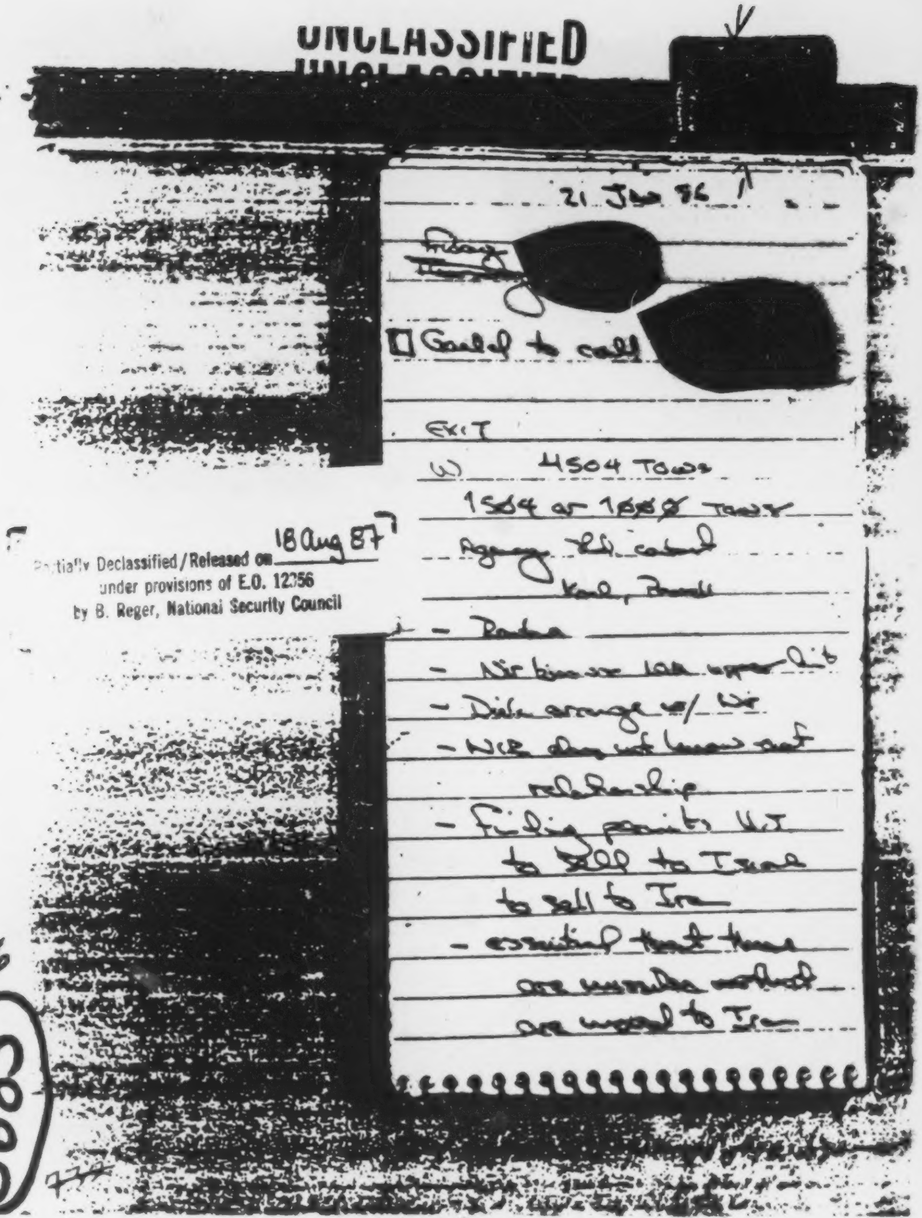
735 431

3684

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

## EXHIBIT C/CATF-43-18



UNCLASSIFIED

21 Jan 86

Friday

[redacted]

[redacted]

☐ Gaddafi to call

EXIT

(U) 4504 TOWs

1504 or 1500 TOWs

Agency [illegible] cabinet

Karl, [illegible]

- Radar
- Nir knows we lack upper [illegible]
- Didn't arrange w/ Nir
- NIR does not know about relationship
- finding permits U.S. to sell to Israel to sell to Iran
- essential that those are weapons which are moved to Iran

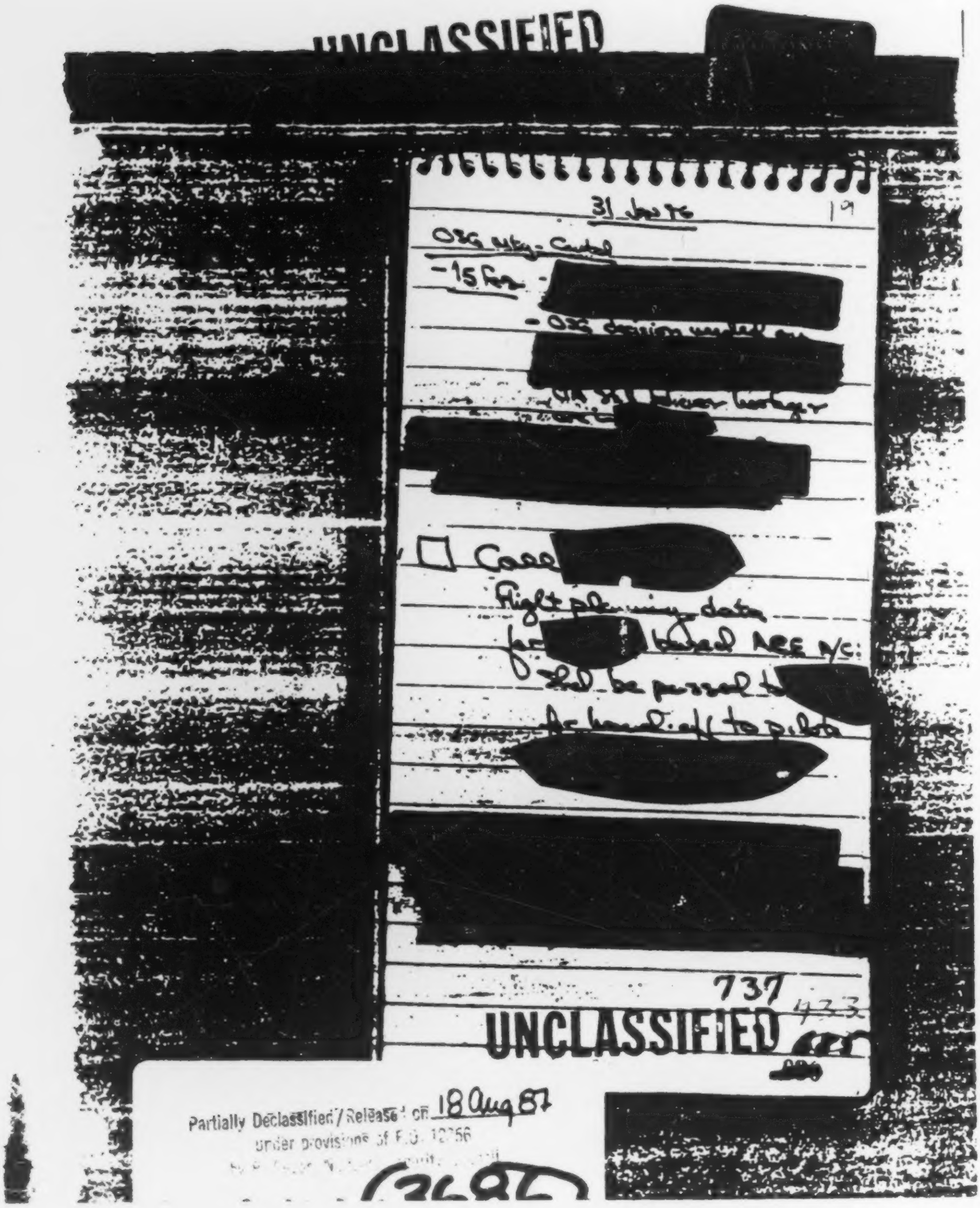
Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

736

3685

736

# EXHIBIT C/CATF-43-19



UNCLASSIFIED

31 Jan 86 19

OSG Mtg - Contd

-15 Feb - [redacted]

- OSG decision needed on [redacted]

- the [illegible] hostage

[redacted]

☐ Case [redacted]

Flight planning data

for [redacted] based AEE A/C:

Shd be passed to [redacted]

As hand-off to pilots

[redacted]

[redacted]

737

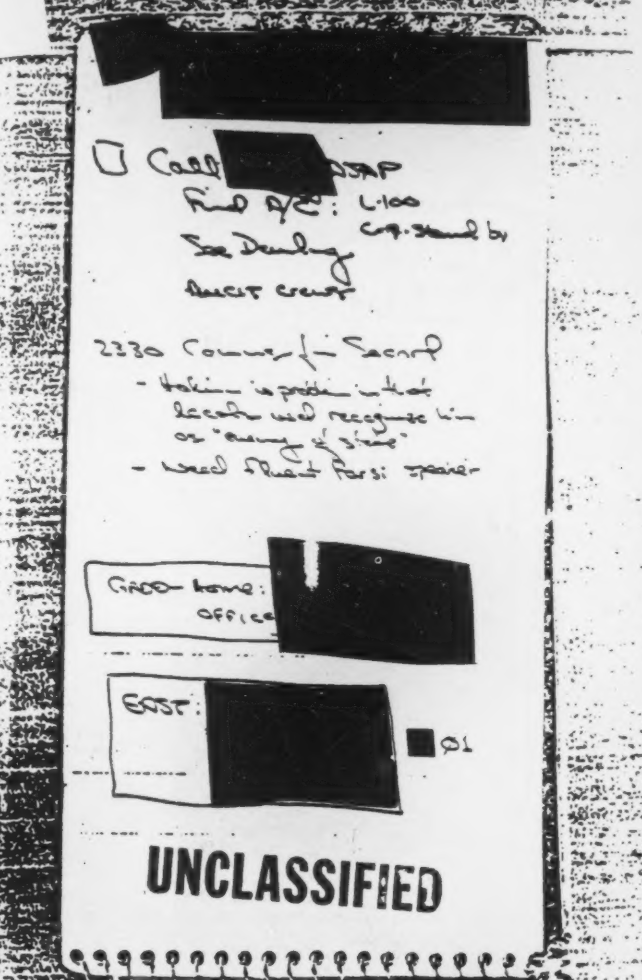
423

UNCLASSIFIED

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by [illegible] National Security Council

(3686)

EXHIBIT C/CATF-43-20



UNCLASSIFIED

18 Feb '86

[redacted]

☐ Call [redacted] ASAP

Find A/C: L-100

Cap. stand by

See Dewey

Aircraft crews

2330 Conv w/ Secord

- Hakim is problem in that locals will recognize him as "enemy of state"
- Need fluent Farsi speaker

GADD - home: [redacted]

office [redacted]

EAST: [redacted]

[redacted] 01

UNCLASSIFIED

Partially Declassified/Released on 18 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

3607

EXHIBIT 43-20

~~[illegible]~~ ~~[illegible]~~ ~~734~~ 738

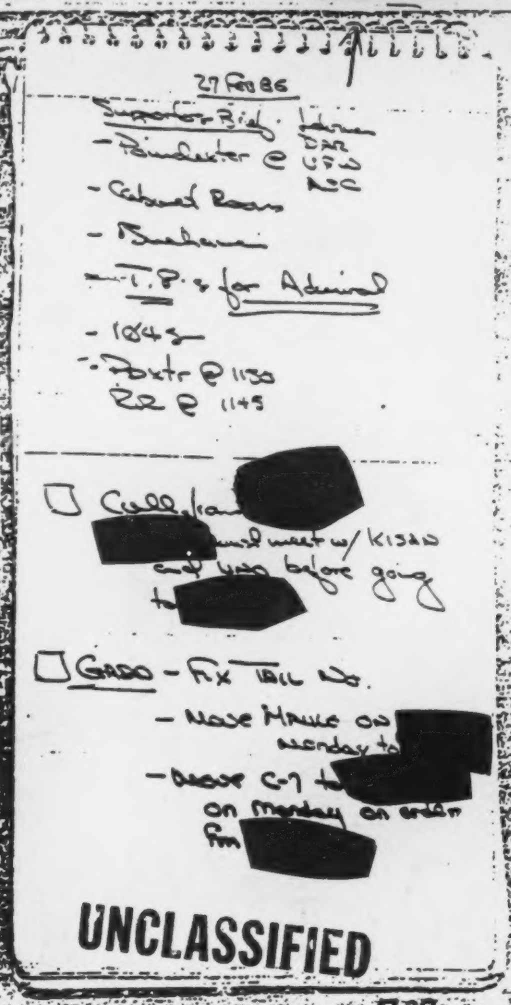
EXHIBIT C/CATF-43-21

**UNCLASSIFIED**

[redacted]

3688

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council



27 Feb 86

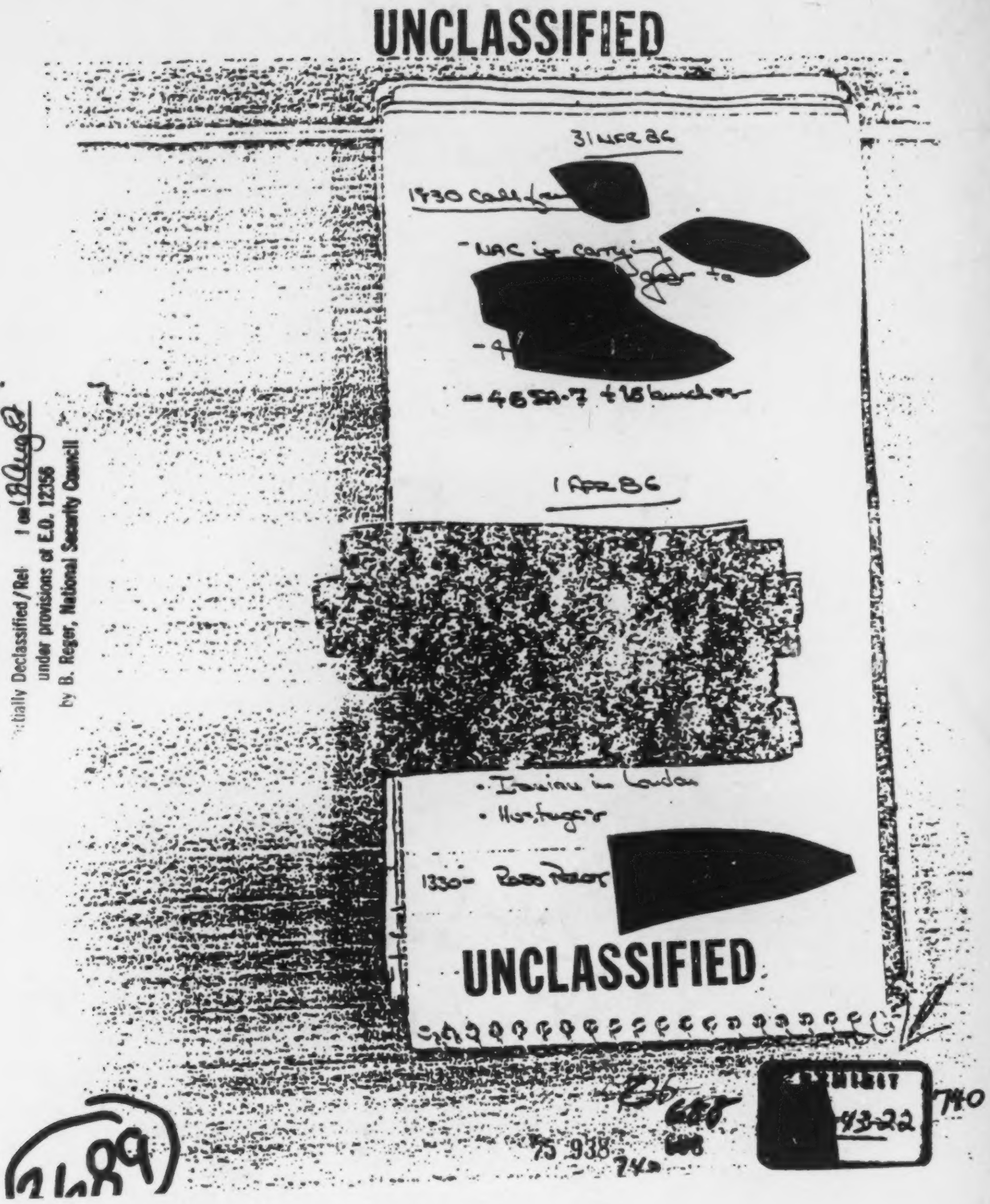
Supporters Brief. Lehrman
- Poindexter @ DAR
VFW
ASC
- Cabinet Room
- Buchanan
- T.P.s for Admiral
- 1845
- Poxtr @ 1130
RR @ 1145

☐ Call [redacted] [redacted] must meet w/ KISAN and UNO before going to [redacted]

☐ GADD - Fix Tail No.
- Move HAWK on [redacted] Monday to [redacted]
- Move C-7 to [redacted] on Monday on order fm [redacted]

**UNCLASSIFIED**

EXHIBIT C/CATF-43-22



UNCLASSIFIED

tially Declassified/Released on 18Aug87
under provisions of E.O. 12356
by B. Reger, National Security Council

31 MAR 86

1930 Call from [redacted]

[redacted]

- NAC is carrying [redacted] to

- 4 [redacted]

- 4 SA-7 + 16 launchers

1 APR 86

[redacted]

- Iranian in London
- Hostages

1330 - Ross Perot [redacted]

UNCLASSIFIED

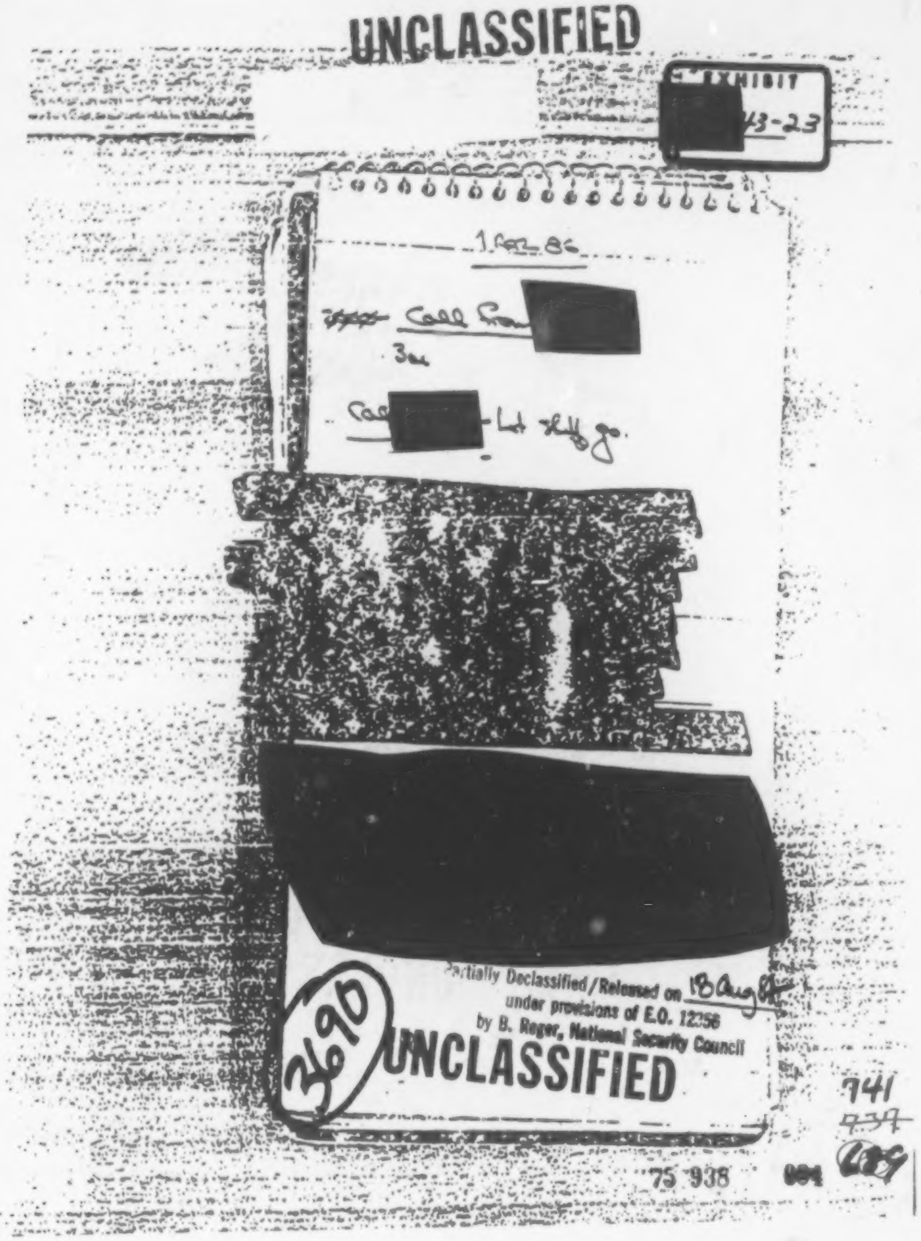
EXHIBIT [redacted] 43-22

740

75 938

740

## Exhibit C/CATF-43-23



UNCLASSIFIED

EXHIBIT [redacted] 43-23

1 Feb 86

~~[illegible]~~ Call from [redacted]
3am

Call [redacted] - Lt Steffy go.

[redacted]

[redacted]

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

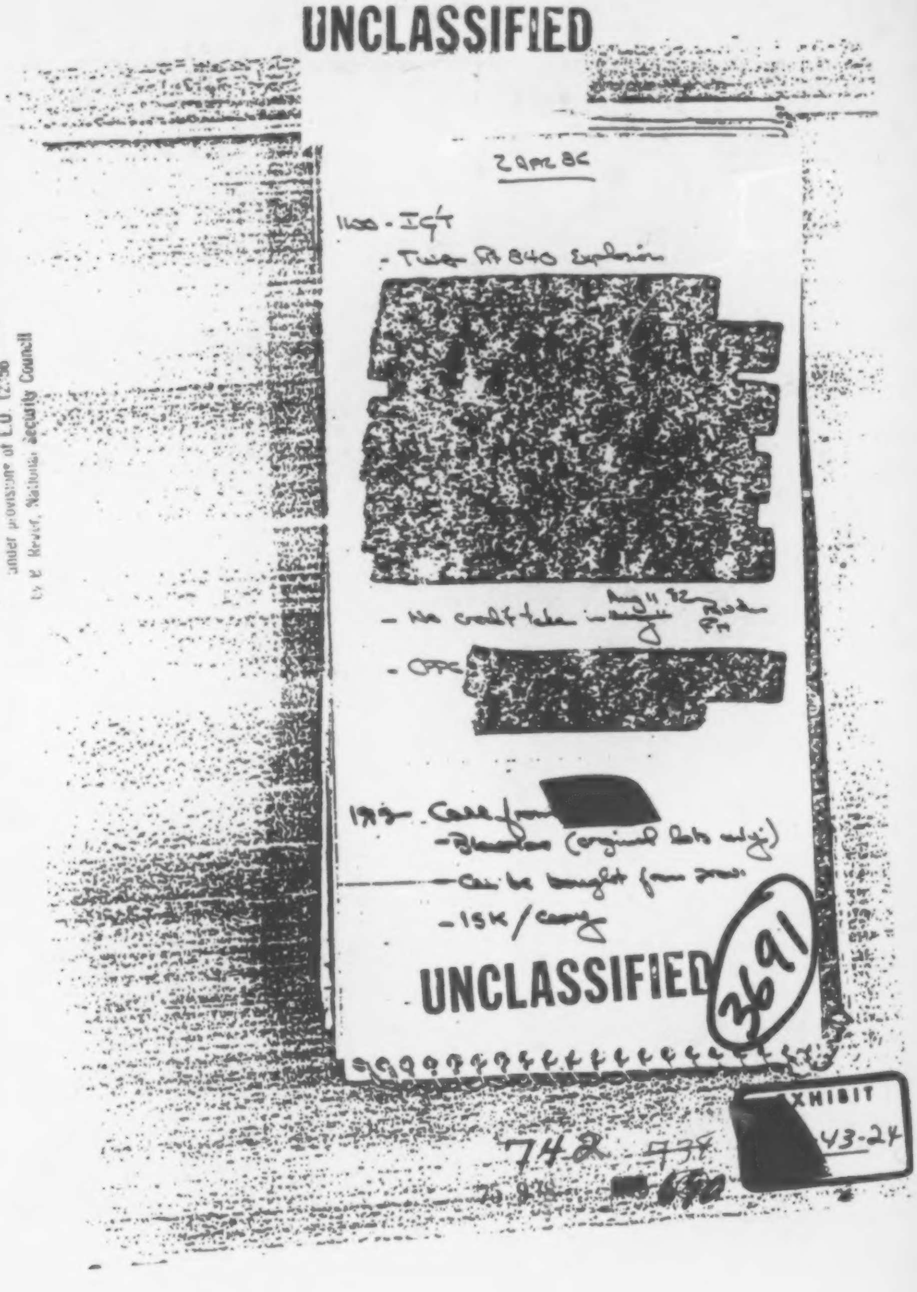
3690

UNCLASSIFIED

741
~~737~~
689

75 938 004

## EXHIBIT C/CATF-43-24



UNCLASSIFIED

2 Apr 86

1100 - IG
- Twa Flt 840 Explosion

[redacted]

- No credit taken in ~~[illegible]~~ Aug 11 82 [illegible] Flt

- OPC [redacted]

1930 - Call from [redacted]
- Bluelines (original bits only)
- Can be bought from [illegible]
- 15K/copy

UNCLASSIFIED

3691

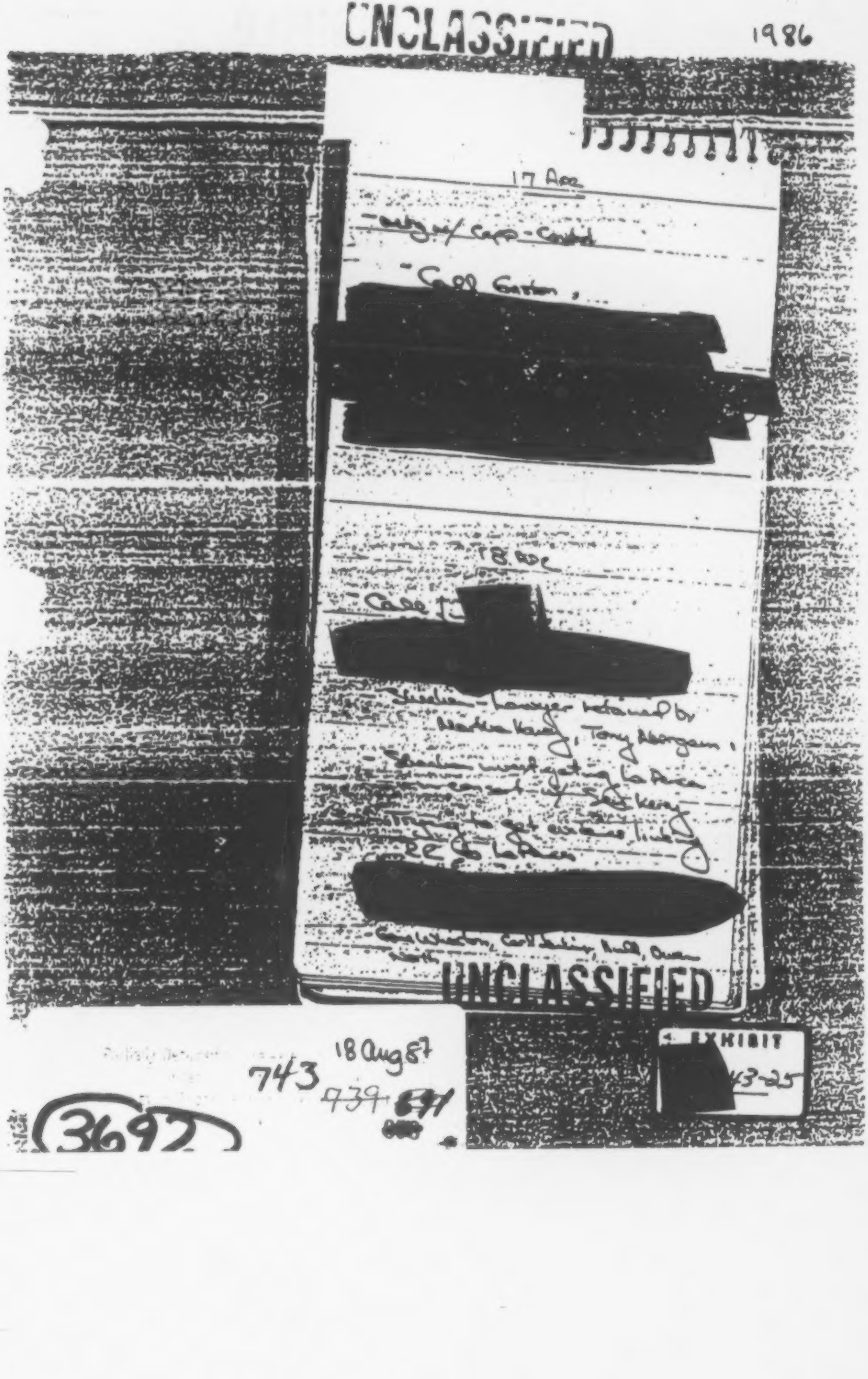
EXHIBIT [redacted] 43-24

742 ~~738~~

75 838 [redacted] 6992

ally Declassified/released on 18 Aug 87
under provisions of E.O. 12356
by E. Kever, National Security Council

# EXHIBIT C/CATF-43-25



UNCLASSIFIED

1986

17 Apr

- mtg w/ Copp - Control

- Call Gaston, ...

[redacted]

18 Apr

- Call T [redacted]

- Sheehan - lawyer retained by Martha Honey, Tony Avirgan.

- Sheehan want getting La Penca [illegible] out of Sen Kerry

- Trying to get evidence linking RR to La Penca

[redacted]

- Gen Wheaton, Carl Jenkins, [illegible], Owen, North

UNCLASSIFIED

18 Aug 87

743

~~439~~ 871

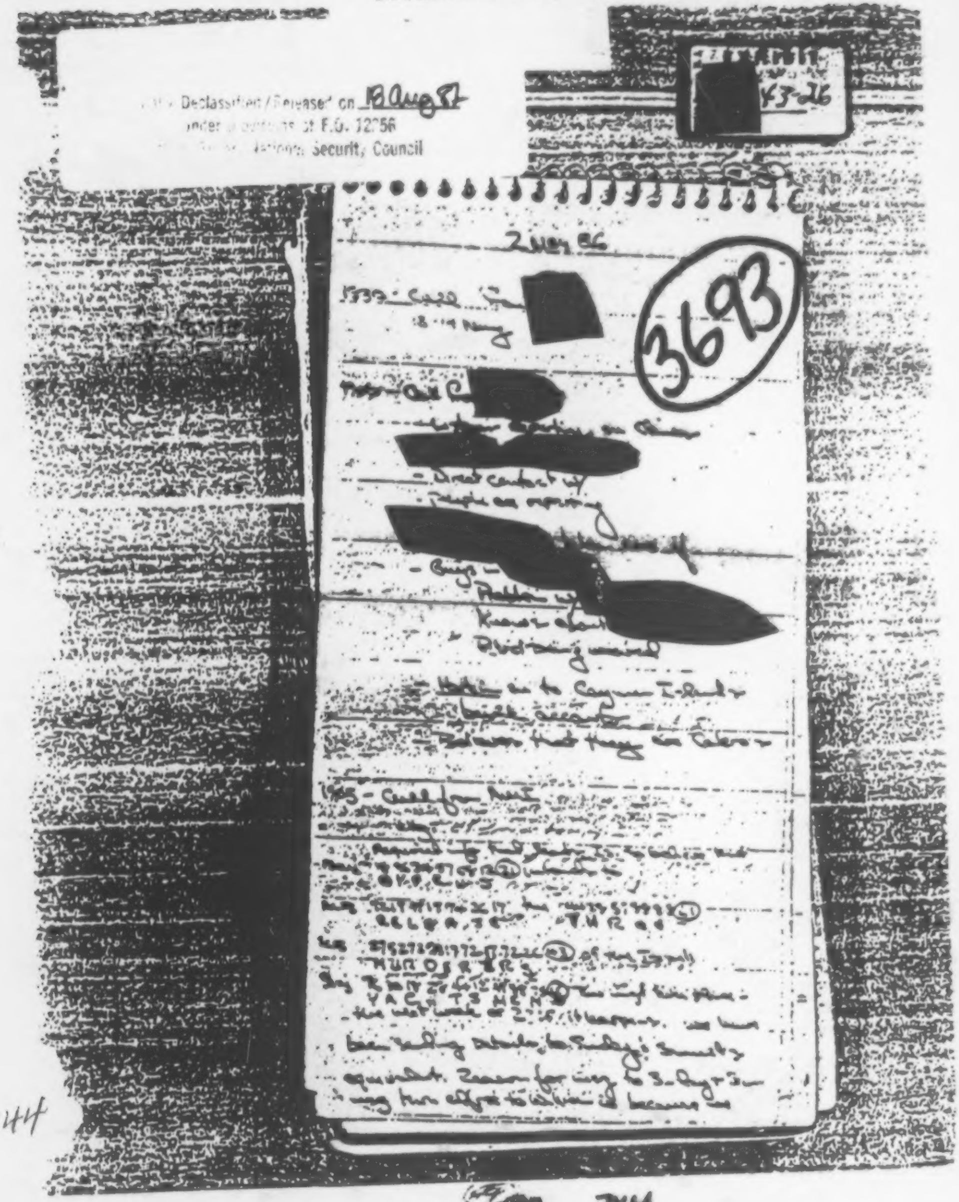
(3692)

EXHIBIT

43-25

EXHIBIT C/CATF-43-26

UNCLASSIFIED



Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by [illegible] National Security Council

[redacted] 43-26

2 Nov 86

3693

1533 - Call from [redacted]
[illegible]

1545 - Call [redacted]
[illegible] on China
[redacted]
- Direct contact w/
people are [illegible]
[redacted]
- Bug -
[illegible]
Knows about
[illegible] being [illegible]

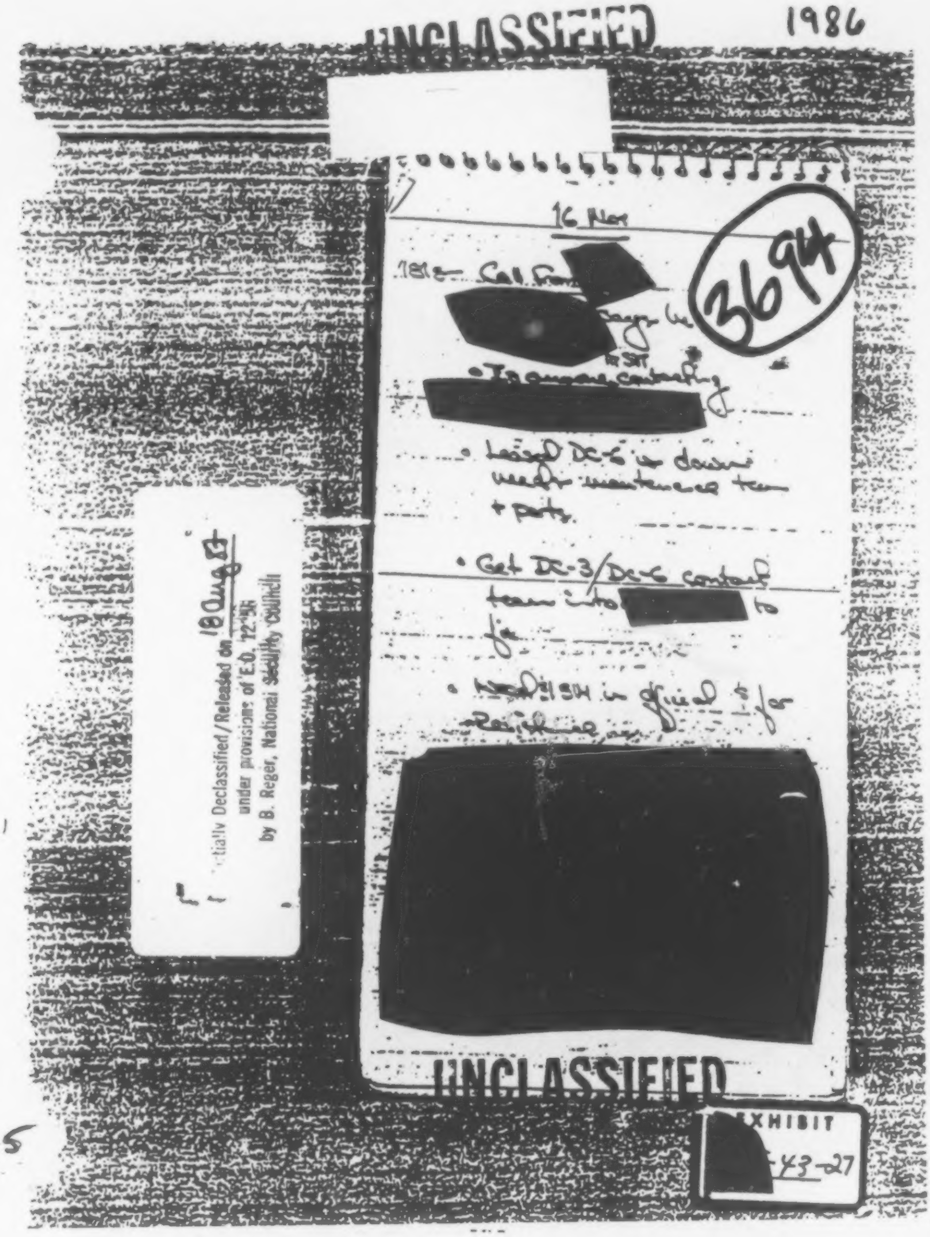
- [illegible] in the Cayman Islands
[illegible]
- Between that they are taken -

1955 - Call from [illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]

744

744

EXHIBIT C/CATF-43-27



UNCLASSIFIED

1986

16 Nov

1812 — Call from [redacted]

[redacted] says he

to SIT

3694

• Is concerned contracting [redacted]

• Leased DC-6 is down — needs maintenance team + parts.

• Get DC-3/DC-6 contract team into [redacted] to fix.

• NSDD 159 in official $ for Resistance

[redacted]

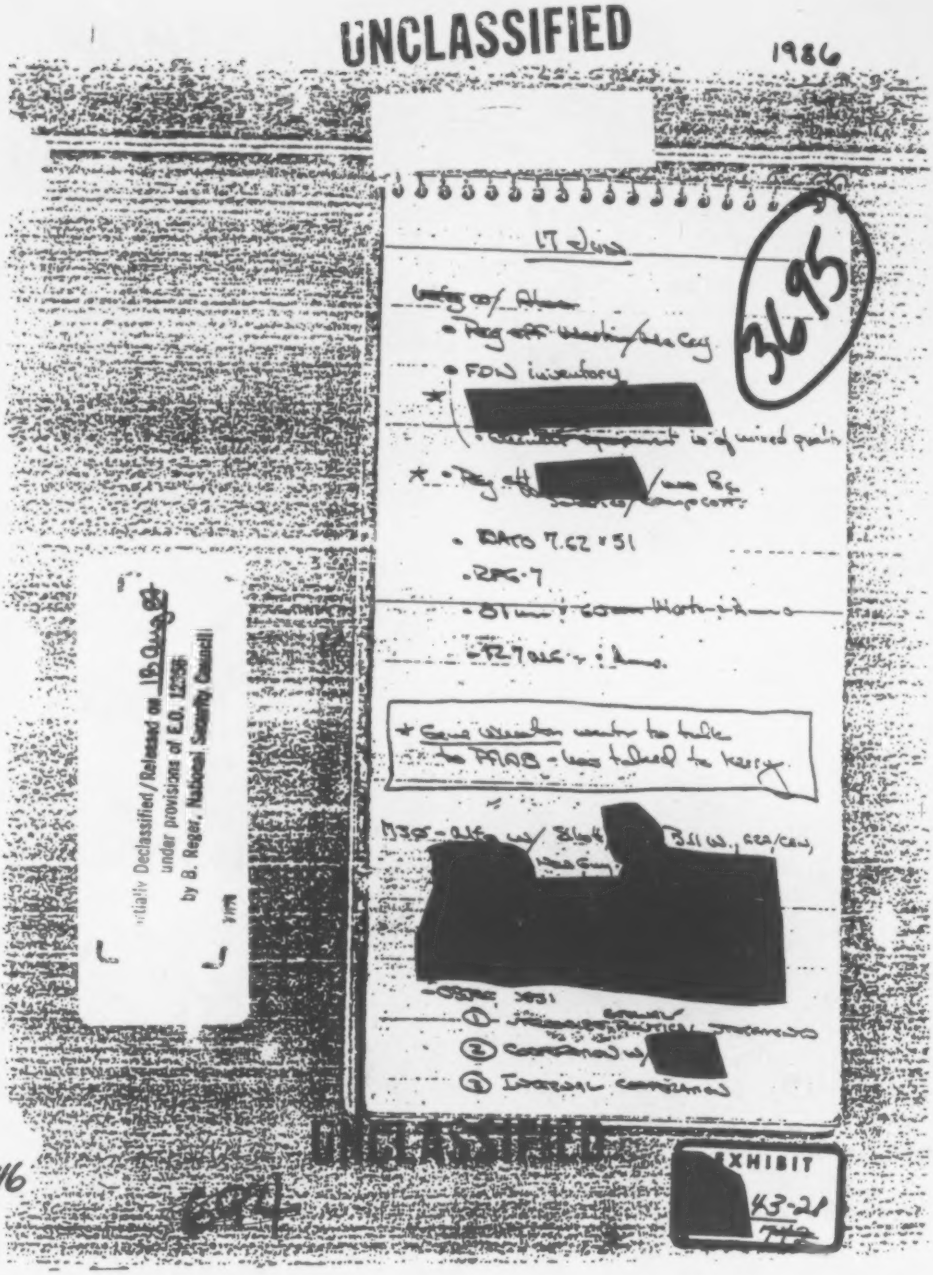
tially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
[redacted] -43-27

745

EXHIBIT C/CATF-43-28



UNCLASSIFIED

1986

17 Jun

Mtg w/ Alan

- Reg off Washington/[illegible] Cay
- FDN inventory

* [redacted]

- [illegible] equipment is of mixed quality

* • Rep off [redacted]/was Rq. [illegible]/camp cots.

- [illegible] 7.62 × 51
- RPG-7
- 81mm & 60mm Mort - no ammo
- 7.62 [illegible] - ammo.

* Gene Wheaton wants to talk to PFIAB - has talked to Kerry.

1335 - Alan w/ [illegible] [redacted] Bill W., CIA/CM, [illegible]

[redacted]

- [illegible] 1831

① ~~[illegible]~~ strategy political [illegible]

② Coordination w/ [redacted]

③ Internal coordination

3695

Partially Declassified/Released on 18 Aug 88 under provisions of E.O. 12356 by B. Reger, National Security Council

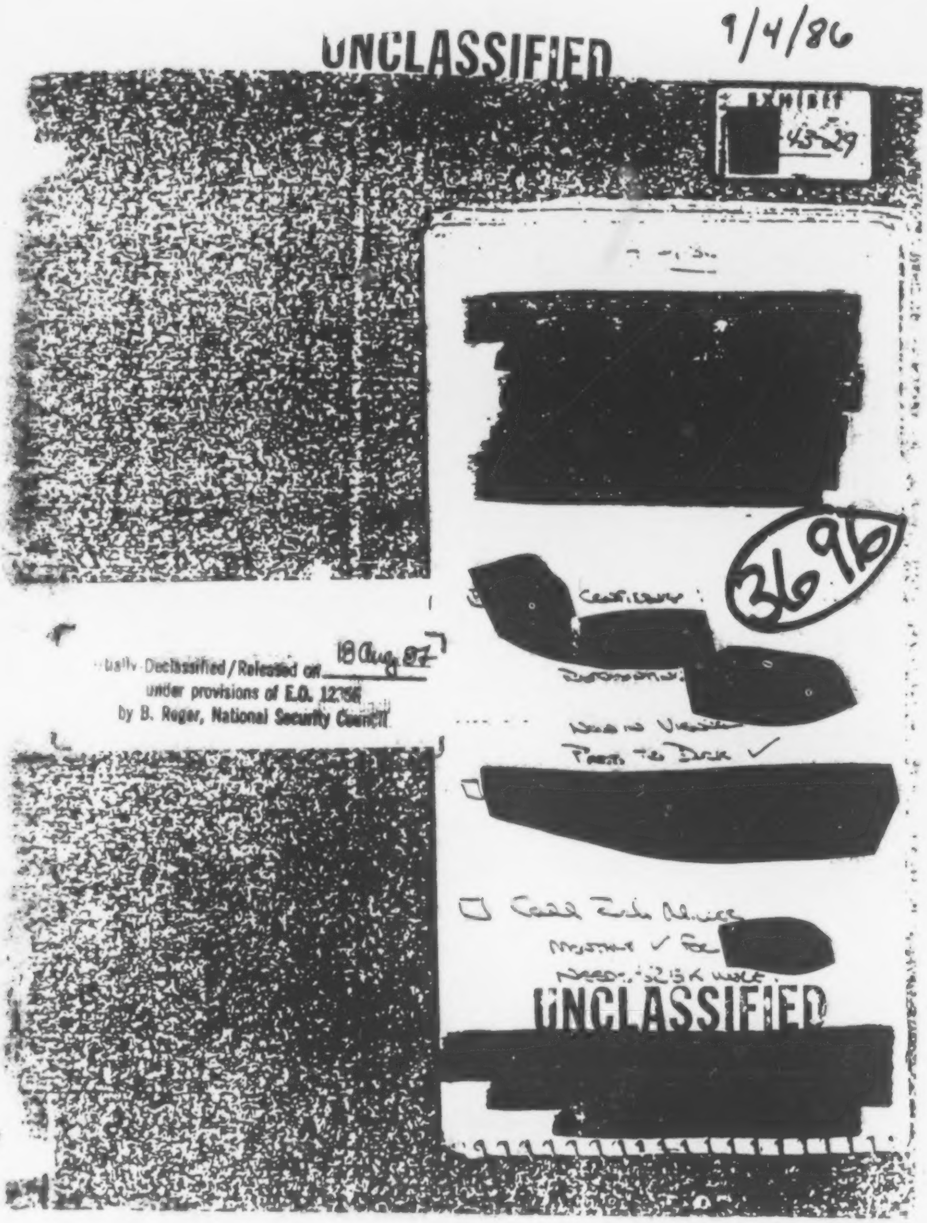
UNCLASSIFIED

746

6094

EXHIBIT 43-28 746

EXHIBIT C/CATF-43-29



UNCLASSIFIED

9/4/86

EXHIBIT [redacted] 43-29

[redacted]

3696

[redacted] [illegible] : [redacted]

[illegible] : [redacted]

Need no V[illegible]

Pass to Dick ✓

☐ [redacted]

☐ Call [illegible] [illegible]

Mustang ✓ for [redacted]

Need [illegible] $25K [illegible]

UNCLASSIFIED

[redacted]

ially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

707

## EXHIBIT C/CATF-44

CONTRACTORS/CONSULTANTS--DISSEMINATION AND EXTRACTION OF INFORMATION CONTROLLED BY ORIGINATOR

Central Intelligence Agency

UNCLASSIFIED

Washington D.C. 20505

WARNING NOTICE
INTELLIGENCE SOURCES OR METHODS INVOLVED

EXHIBIT
[redacted]-44

MEMORANDUM FOR: Assistant to the President for National Security Affairs

SUBJECT: Alleged Purchase of Arms [redacted] for Shipment to [redacted] on Behalf of the C.I.A.

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE

1. [redacted]

2. In early January 1985 a representative of "Transamerican Limited," a Canadian arms trading company in Montreal, [redacted] purchasing arms for shipment to [redacted] Among the items purchased were 45 SA-7 missiles (at US$ 32,000 each), 1,000 RPG-7's, 1.5 million rounds of 7.62x35 ammunition and 100 75MM recoilless rifles. [redacted] buying the material on behalf of an American named Richard Secor, a retired U.S. Army General. [redacted] Secor heavily implied that he was making the purchases for the Central Intelligence Agency.

3. [redacted] small arms exporting organization, that [redacted] a policy prohibiting arms exports to any Central American country. The "Transamerica" representative obtained [redacted] end-user certificates, which the [redacted] accepted. [redacted] most of the arms were airshipped to [redacted] in late January 1985. Funds for this purchase came from either the Bahamas or Cayman Islands.

DECL: OADR DRV HUM 4-82 BY [redacted] ALL PORTIONS CARRY CLASSIFICATION AND CONTROLS OF OVER ALL DOCUMENT

tially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

C11D 799

3697

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 87
HSC + SSC

748 75 938 696

UNCLASSIFIED

684

WARNING NOTICE
INTELLIGENCE SOURCES OR METHODS INVOLVED

[redacted]

5. (Headquarters Comment: The Central Intelligence Agency is not in contact with Richard Secor, who is a retired Air Force Major General.)

/s/

Clair E. George
Deputy Director for Operations

[redacted]

UNCLASSIFIED

799

749

REVIEWED FOR RELEASE
Date 24 March 87
HPSC + SSC 687
[redacted] 9445

## EXHIBIT C/CATF-45

[redacted]

File

UNCLASSIFIED

Washington, D.C. 20505

1 OCT 1985

[redacted]

EXHIBIT

[redacted] 45

**3698**

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

MEMORANDUM FOR: The Director of Intelligence and Research
Director, Defense Intelligence Agency
Director, National Security Agency
Special Assistant to the President for
National Security Affairs
National Security Council

SUBJECT: Plans for Improvement of United Nicaraguan Opposition/Nicaraguan Democratic Force Aerial Resupply Capability

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE

[redacted]

1. The following information was received [redacted]

2. As part of a continuing effort to improve its ability to resupply units of the democratic opposition operating inside Nicaragua, the United Nicaraguan Opposition/Nicaraguan Democratic Force (UNO/FDN), working through private supporters in the United States, has contracted for the services of two C-7A Caribou aircraft to fly supply missions into Nicaragua. The contract, which is of six months' duration, calls for the two aircraft to fly [redacted] hours per month. The contractor will supply pilots, crews and mechanics. The two Caribou aircraft, which will be stationed [redacted] are expected to arrive [redacted] during October 1985.

DECL: OADR DRV HUM 4-82 [redacted] ALL PORTIONS CARRY CLASSIFICATION AND CONTROLS OF OVERALL DOCUMENT.

~~688~~ ~~746~~ 750

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 26 March 87

[redacted]

UNCLASSIFIED

[redacted]

3. The pilots and crews for the aircraft may be U.S. citizens, but if so, they will not be identified as such. They, and all other personnel associated with the project, will be confined to [redacted] The two aircraft will be equipped with sophisticated navigation equipment which will allow them to make night drops into Nicaragua. UNO/FDN has procured night vision devices to assist the pilots on their missions.

4. [redacted] Comment: The establishment of a viable system to resupply units in Nicaragua is a top priority for UNO/FDN. The resistance organization has shown its ability to purchase and move arms and materiel to [redacted] but has met with very limited success in getting these supplies to the combatants in Nicaragua. [redacted] The added capability of these two aircraft -- each can carry 6,000 pounds of cargo, fly at a normal speed of 180 miles per hour, and has a range of 1300 miles -- would be a significant advance in the UNO/FDN logistics system, and would allow aerial resupply to units [redacted] On the other side of the coin, UNO/FDN will have to take steps to greatly increase the security of its communications with those units to be resupplied.)

5. This information is being made available to the U.S. Ambassadors [redacted] to the Commander in Chief, U.S. Southern Command, and to the Commander, First Special Operations Command. No further distribution is being made.

[redacted]

Clair E. George
fn Deputy Director for Operations

A

[redacted]

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 87

## EXHIBIT C/CATF-46

[redacted]

[redacted]

UNCLASSIFIED

EXHIBIT [redacted] 46

3699

MEMORANDUM FOR: The Director of Intelligence and Research
Director, Defense Intelligence Agency
Director, National Security Agency
Special Assistant to the President for
National Security Affairs
National Security Council

SUBJECT: Nicaragua: Plans for Improvement of UNO/FDN Aerial Resupply Capability

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE

[redacted]

1. The following information was received [redacted]

2. As of early November 1985, the Unified Nicaraguan Opposition/Nicaraguan Democratic Force (UNO/FDN) was still working on plans to improve its ability to resupply UNO/FDN units operating inside Nicaragua. UNO/FDN had been expecting the arrival in October of two C-7A Caribou aircraft to fill this requirement, but problems in obtaining the two aircraft have delayed their arrival indefinitely. (Headquarters Comment: [redacted] dated 1 October [redacted], provided information on the planned acquisition of the C-7A aircraft.) Working through private supporters in the United States, UNO/FDN has obtained a similar contract for the rental of two C-123 "Provider" transport aircraft and crews, which are expected to arrive [redacted] in November [redacted] The contract calls for the two aircraft to

DECL: OADR DRV HUM 4-82 BY [redacted] ALL PORTIONS/CARRY CLASSIFICATION AND CONTROLS OF OVERALL DOCUMENT.

3 3A
4 68

Partially Declassified/Released on 18Aug87
under provisions of E.O. 12
by B. Reger, National Security Co

UNCLASSIFIED

1 Apr 87
HSC + SSC

UNO/FDN

752
~~748~~
~~900~~

[redacted]

UNCLASSIFIED

[redacted]

fly a combined total of [redacted] hours per month for a duration of six months. The contractor will supply pilots, crews, and mechanics; normal maintenance will be performed outside [redacted] The two C-123 aircraft will be stationed [redacted] The six-month contract cost US$450,000.

3. As was the case with the C-7A aircraft, the pilots and crews may be U.S. citizens, but if so, they will not be identified as such. They, and all other personnel associated with the project, will be confined [redacted] or to any other remote airfield where they may operate. UNO/FDN has in stock two night vision devices which will be issued to the C-123 pilots for their night-time missions.

4. [redacted] Comment: Finding a way to resupply its units deep inside Nicaragua remains a top UNO/FDN priority, and the delay in the arrival of the C-7A's was a setback. The C-123 "Provider" is an even better aircraft for the job at hand, and the [redacted] hours contracted for should go a long way toward solving the resupply problem. At present, UNO/FDN is contracting on a sporadic basis a civilian DC-[redacted] to make night drops to UNO/FDN units in Nicaragua at a cost of US$15,000 per flight. This aircraft does not have the most up-to-date navigational equipment, nor does its crew appear to have much experience in aerial resupply operations. The standard C-123 "Provider" can carry about 8,000 pounds of cargo and fly at a normal speed of 200 miles per hour.)

5. This information is being made available to the U.S. Ambassadors [redacted] and to the Commander in Chief, U.S. Southern Command. No further distribution is being made.

[redacted]

Clair E. George
Deputy Director for Operations

[redacted]

A

3 3A

7 68

753

~~744~~

701

UNCLASSIFIED

1 Apr 87
HSC & SSC

UNCLASSIFIED

[redacted]

SUBJECT: Nicaragua: Plans for Improvement of UNO/FDN Aerial Resupply Capability

[redacted] (13 November 1985)

DISTRIBUTION:

1 - Each Addressee
1 - DCI
1 - DDCI
1 - NIO/LA
1 - D/DDI
1 [redacted]
1 - DDO/ADDO
1 - DDO REGISTRY
1 [redacted]
1 
1 
2 
1 - C/LA/CATF
5 [redacted]
1

Based On:

[redacted]

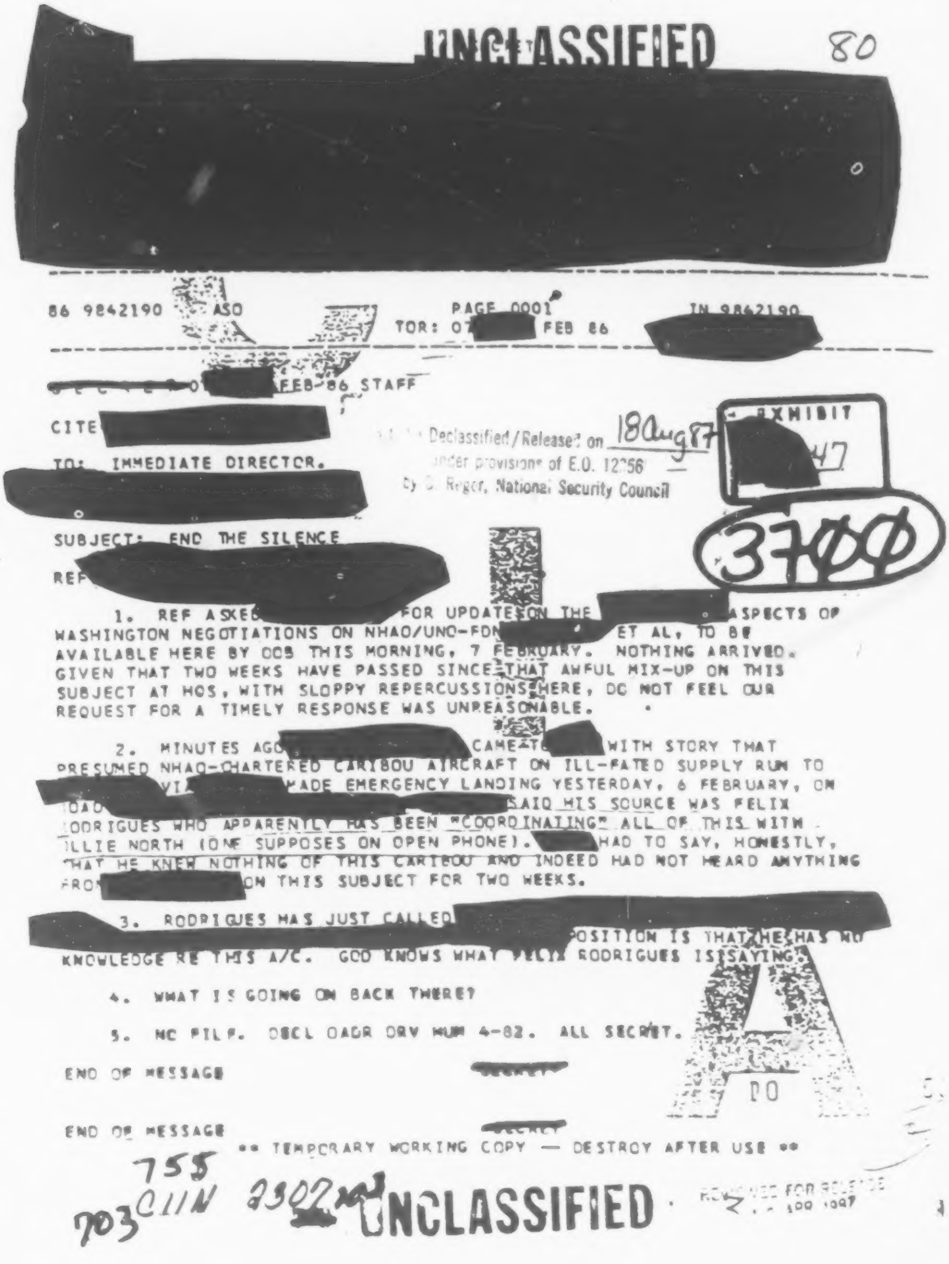
3 3A
7 68

754

702 UNCLASSIFIED

REVIEWED FOR RELEASE
Date

## EXHIBIT C/CATF-47



UNCLASSIFIED

80

[redacted]

86 9842190 ASO PAGE 0001 IN 9842190
TOR: 07[redacted] FEB 86 [redacted]

~~SECRET~~ 0[redacted] FEB 86 STAFF

CITE [redacted]

TO: IMMEDIATE DIRECTOR.

[redacted]

Declassified/Released on 18Aug87
under provisions of E.O. 12356
by G. Reger, National Security Council

EXHIBIT
[redacted] 47

3700

SUBJECT: END THE SILENCE

REF [redacted]

1. REF ASKED [redacted] FOR UPDATES ON THE [redacted] ASPECTS OF WASHINGTON NEGOTIATIONS ON NHAO/UNO-FDN [redacted] ET AL, TO BE AVAILABLE HERE BY COB THIS MORNING, 7 FEBRUARY. NOTHING ARRIVED. GIVEN THAT TWO WEEKS HAVE PASSED SINCE THAT AWFUL MIX-UP ON THIS SUBJECT AT HQS, WITH SLOPPY REPERCUSSIONS HERE, DO NOT FEEL OUR REQUEST FOR A TIMELY RESPONSE WAS UNREASONABLE.

2. MINUTES AGO [redacted] CAME TO [redacted] WITH STORY THAT PRESUMED NHAO-CHARTERED CARIBOU AIRCRAFT ON ILL-FATED SUPPLY RUN TO [redacted] VI[redacted] MADE EMERGENCY LANDING YESTERDAY, 6 FEBRUARY, ON [redacted] SAID HIS SOURCE WAS FELIX RODRIGUES WHO APPARENTLY HAS BEEN "COORDINATING" ALL OF THIS WITH OLLIE NORTH (ONE SUPPOSES ON OPEN PHONE). [redacted] HAD TO SAY, HONESTLY, THAT HE KNEW NOTHING OF THIS CARIBOU AND INDEED HAD NOT HEARD ANYTHING FROM [redacted] ON THIS SUBJECT FOR TWO WEEKS.

3. RODRIGUES HAS JUST CALLED [redacted] POSITION IS THAT HE HAS NO KNOWLEDGE RE THIS A/C. GOD KNOWS WHAT FELIX RODRIGUES IS SAYING.

4. WHAT IS GOING ON BACK THERE?

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE [redacted]

A
DO

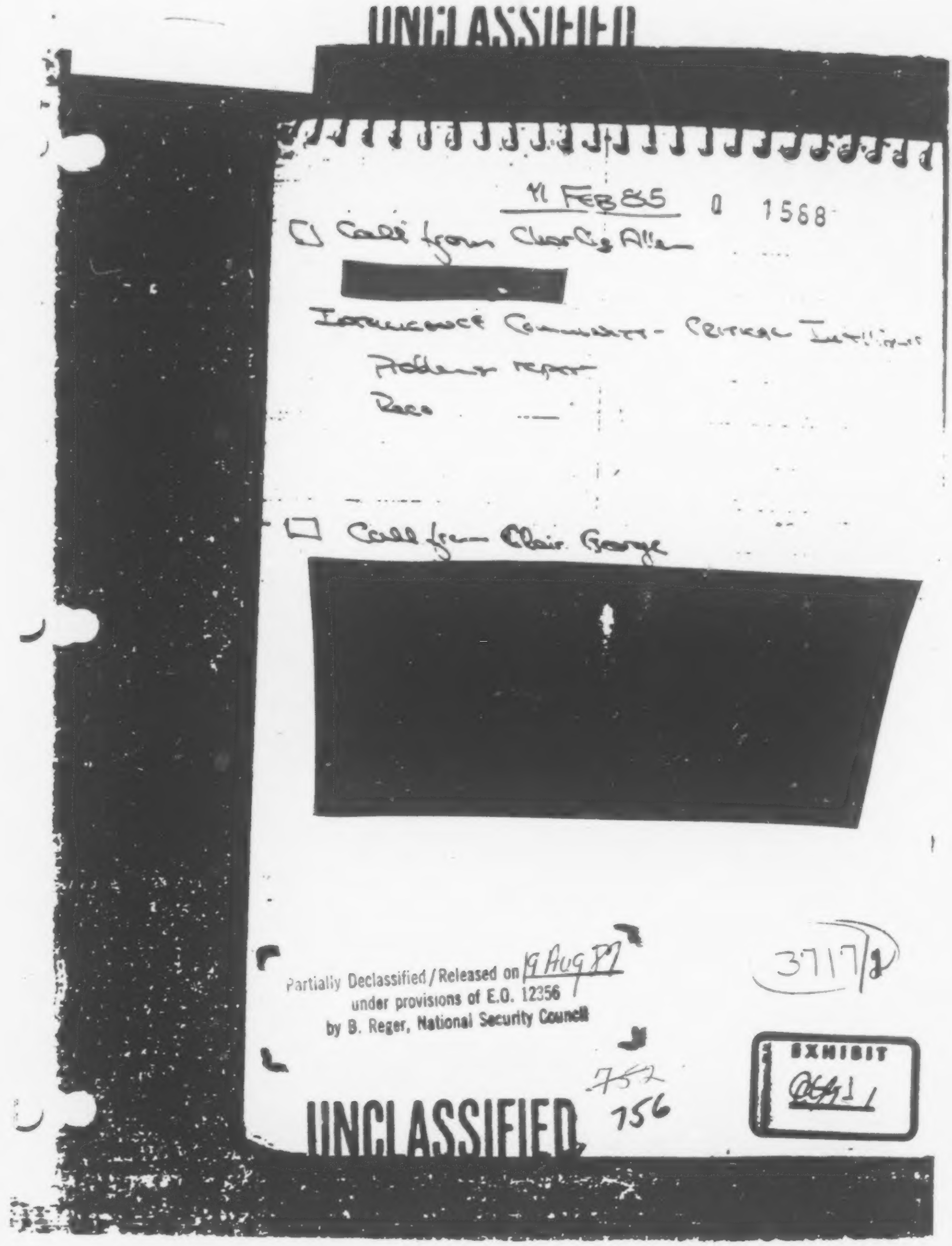
END OF MESSAGE [redacted]

** TEMPORARY WORKING COPY — DESTROY AFTER USE **

755
703 C11N 2302 UNCLASSIFIED

REVIEWED FOR RELEASE
1987

## EXHIBIT CG-1



UNCLASSIFIED

11 FEB 85 0 1568

☐ Call from Charlie Allen

[redacted]

Intelligence Community - Critical Intelligence

Problems report

Recs

☐ Call from Clair George

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

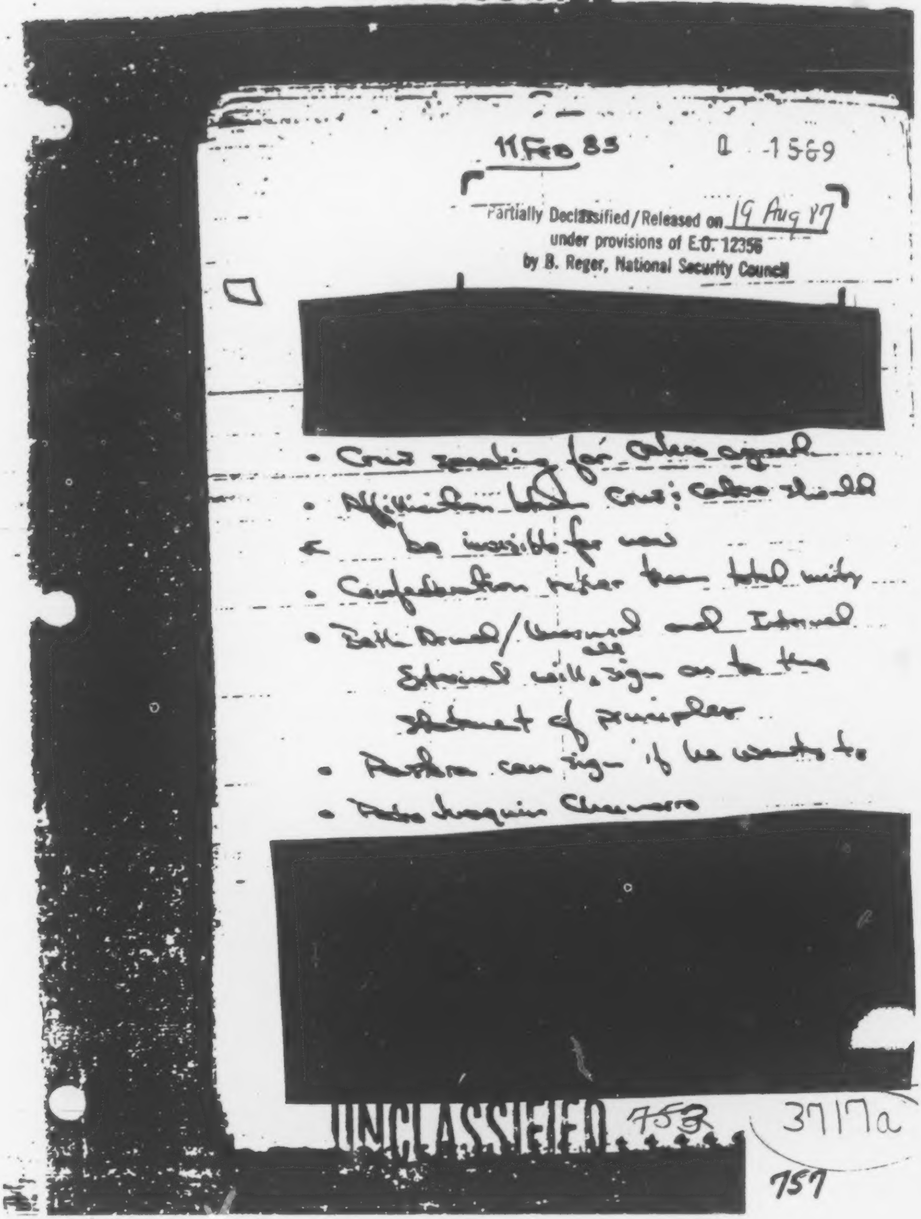
3717/2

EXHIBIT
CG-1

~~752~~
756

UNCLASSIFIED

UNCLASSIFIED



11 FEB 83 — 1569

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

- Cruz speaking for Calero signal
- Affiliation with Cruz; Calero should
  be invisible for now
- Confederation rather than total unity
- Both Broad/Unarmed and Internal
  External will all sign on to the
  statement of principles
- Pastora can sign if he wants to.
- Pedro Joaquin Chamorro

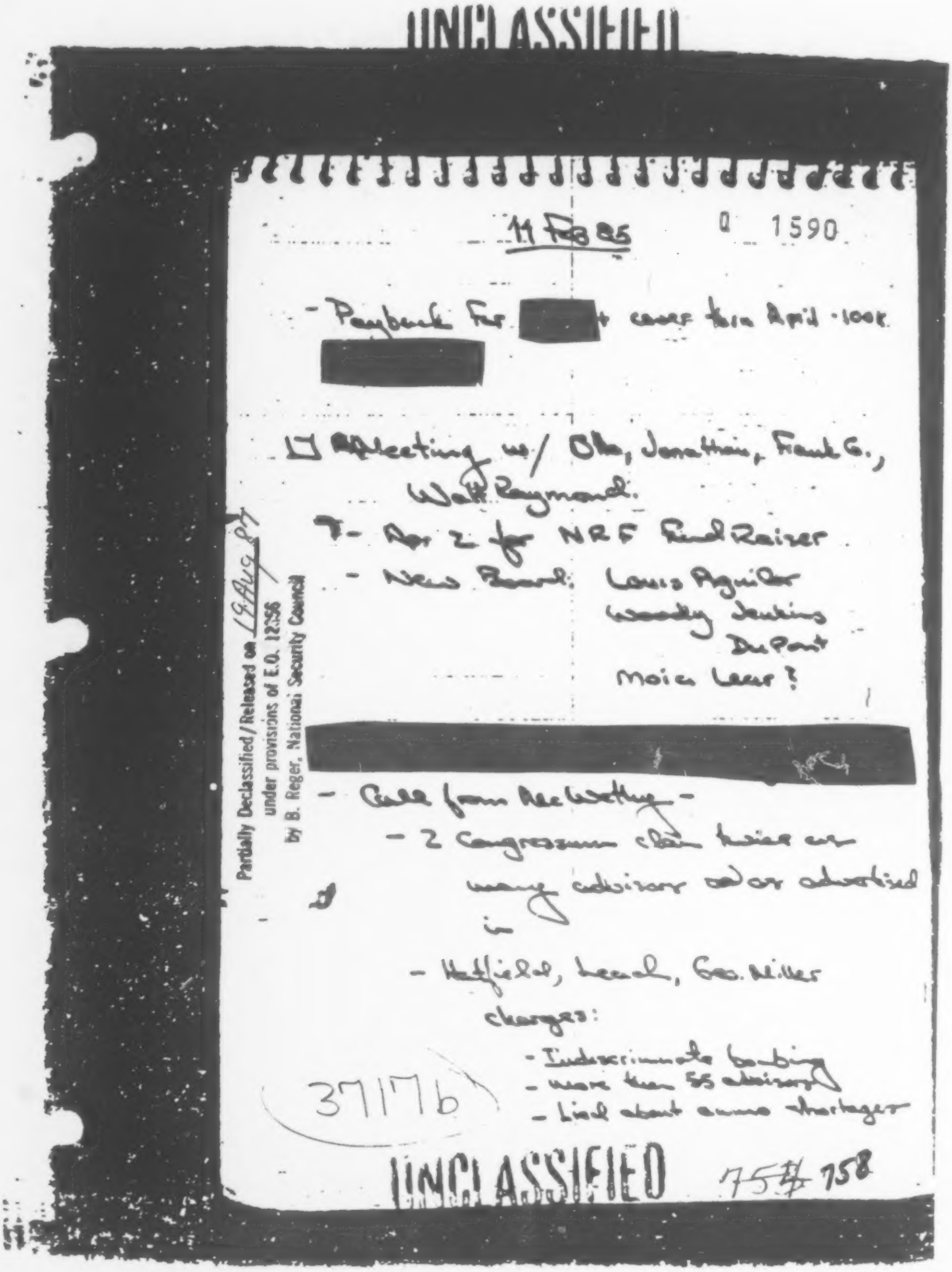
[redacted]

UNCLASSIFIED 753

37177a

757

UNCLASSIFIED



11 Feb 85 0 1590

- Payback for [redacted] + cover thru April · 100K

[redacted]

☐ Meeting w/ Otto, Jonathan, Frank G., Walt Raymond.

- Apr 2 for NRF Fund Raiser
- New Board: Louis Aguilar
  Woody Jenkins
  DuPont
  Moira Lear ?

[redacted]

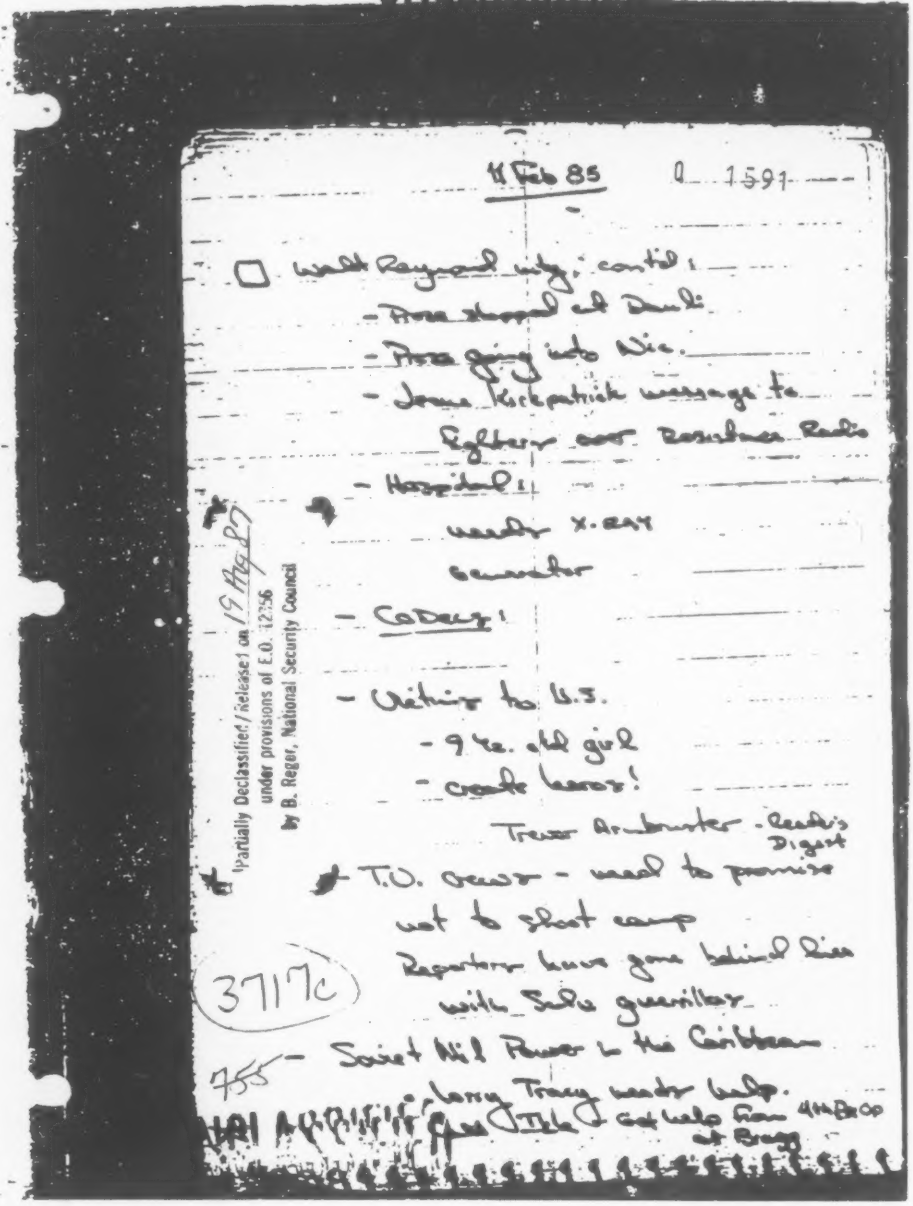
- Call from Alec Wetly -
  - 2 Congressmen claim twice as many advisors and/or advertised in
  - Hatfield, Leach, Geo. Miller charges:
    - Indiscriminate bombing
    - more than 55 advisors
    - Lied about ammo shortages

37176

Partially Declassified/Released on 19 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

UNCLASSIFIED ~~757~~ 758

UNCLASSIFIED



11 Feb 85 Q 1591

☐ Walt Raymond mtg: cont'd:
- Press stopped at Danli
- Press going into Nic.
- Jeane Kirkpatrick message to fighters over Resistance Radio
- Hospital:
  needs X-RAY
  generator
- CODELs:
- Victims to U.S.
  - 9 yr. old girl
  - create heroes!

Trevor Armbrister - Reader's Digest

* T.V. crews - need to promise not to shoot camp
Reporters have gone behind lines with Salv guerrillas

755 - Soviet Mil Power in the Caribbean
- Larry Tracy needs help.
- Gen Ikle - get help from 4th PsyOp at Bragg

Partially Declassified / Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3717c

759

UNCLASSIFIED

Q 1592

11 Feb 85

☐ Call from Casey
- de Marenches
- Mtg of [redacted] LtG w/ Regan/Buchanan/Speakes

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

☐ ~~[illegible]~~ Col Dwyer - 7351
Re Photos for ADM from Frank

[redacted]

☐ Call to 'Walt' Raymond

[redacted]

☐ Call from Steve Barth
- [illegible]

3717d

☐ Call from Rudy

[redacted]

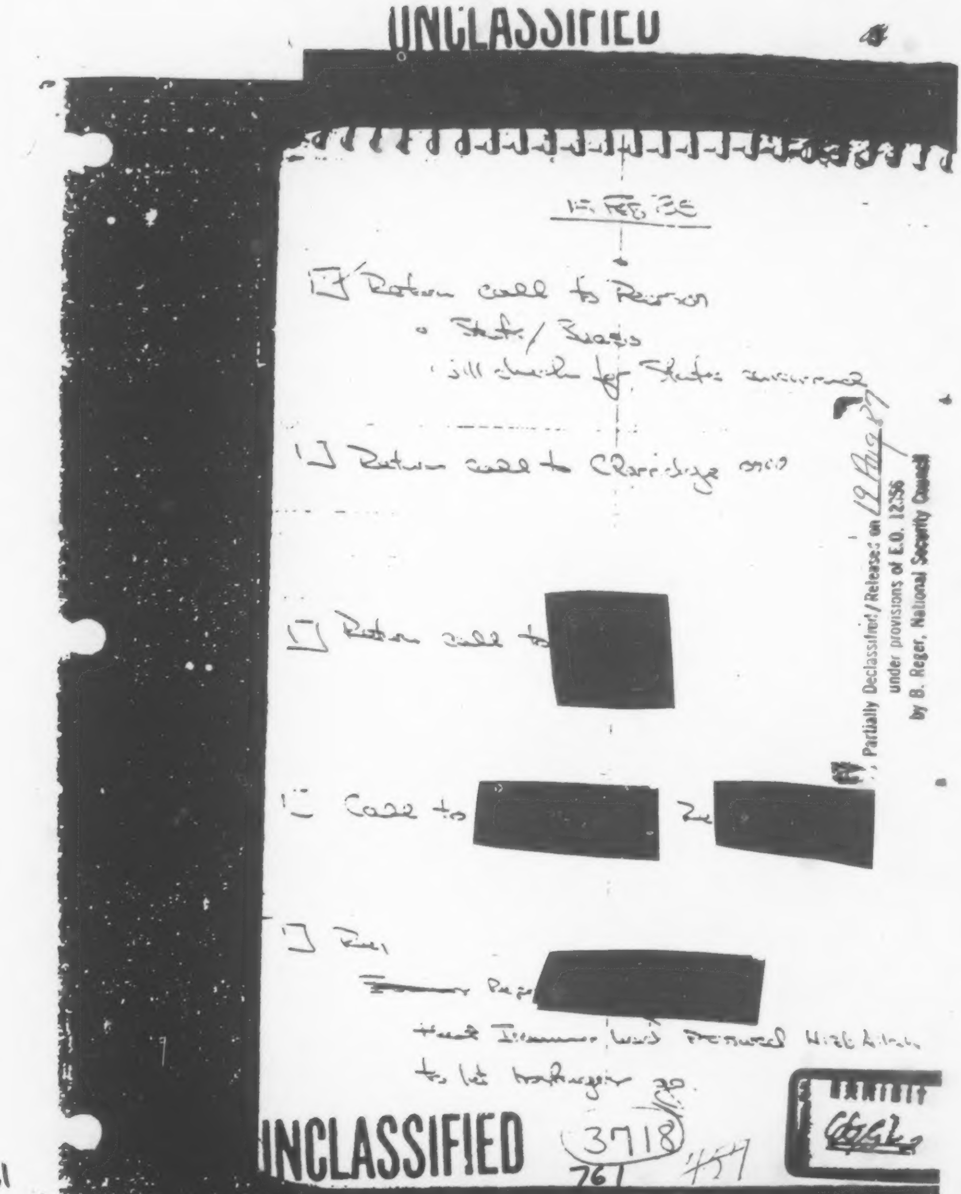
- [illegible]

UNCLASSIFIED

~~756~~ 760

760

# EXHIBIT CG-2



UNCLASSIFIED

15 FEB 86

☑ Return call to Pearson
 • State / [illegible]
 • will check for State involvement

☐ Return call to Clarridge asap

☐ Return call to [redacted]

☐ Call to [redacted] re [redacted]

☐ Rev
 ~~[illegible]~~ Page [redacted]
 that Iranians were pressured [illegible] to let hostages go.

UNCLASSIFIED

3718

761

459

EXHIBIT CG-2

Partially Declassified/Released on 19 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

761

UNCLASSIFIED

Pages Q 1597–
Q1598 denied
in their entireties.

~~458~~

37180

762

UNCLASSIFIED

UNCLASSIFIED

14 Feb 85

Q 1599

☐ Call from [redacted]

- Concerned about contingency planning visit from USSOUTHCOM

[redacted]

Partially Declassified/Released on 11 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

UNCLASSIFIED

~~757~~ 763

37186

763

UNCLASSIFIED

Pages Q1600-
Q1603 denied
in their entireties.

764

UNCLASSIFIED

3718c

UNCLASSIFIED

1604

☐ Adol

W/U 1705

[redacted]

☐ Walt Raymond

[redacted]

☐ Call from Clair George

Nic Frdm Council on Pres Dis. Contact

Fund for the Dem Nic Opp

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

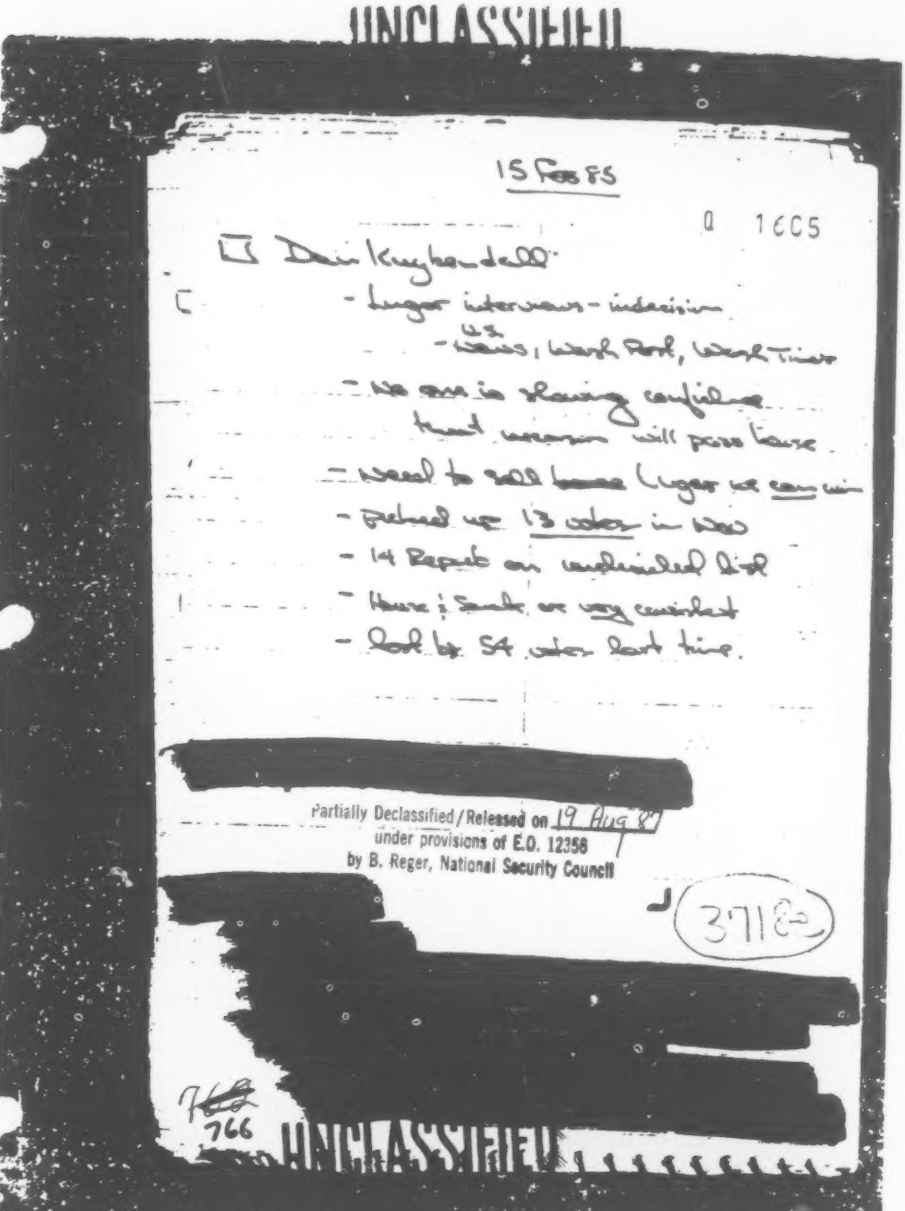
☐ Jack Altenhoffs

- Cong Rpt 15 Apr
- Vote on 17-18 (perfect)
- 17 Apr - Push

765 UNCLASSIFIED

3718d

765



UNCLASSIFIED

15 Feb 85

Q 16C5

☐ Dan Kuykendall

- Lugar interviews - indecision
  - U.S. News, Wash Post, Wash Times
- No one is showing confidence that [illegible] will pass House
- Need to sell ~~house~~ Lugar we can win
- Picked up 13 votes in Nov
- 14 Repub on undecided list
- House & Senate are very concerned
- lost by 54 votes last time.

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

3718

766

766

UNCLASSIFIED

UNCLASSIFIED

[redacted]

15 Feb 85

1606

[redacted]

rtially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

[redacted]

UNCLASSIFIED

3718F

[redacted]

767

UNCLASSIFIED

15 Feb

Q 1607

[redacted] DoD of [redacted] design to provide blanket approval

EUC's for munition orders

Loan/Sell [illegible] & Ammo

Trucks - for coal/fuel

Public Works - repair road.

[redacted] will ~~with~~ cannot expand w/o guidance

- None [redacted] equip/munitions or U.S. origin

[redacted] have approved.

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

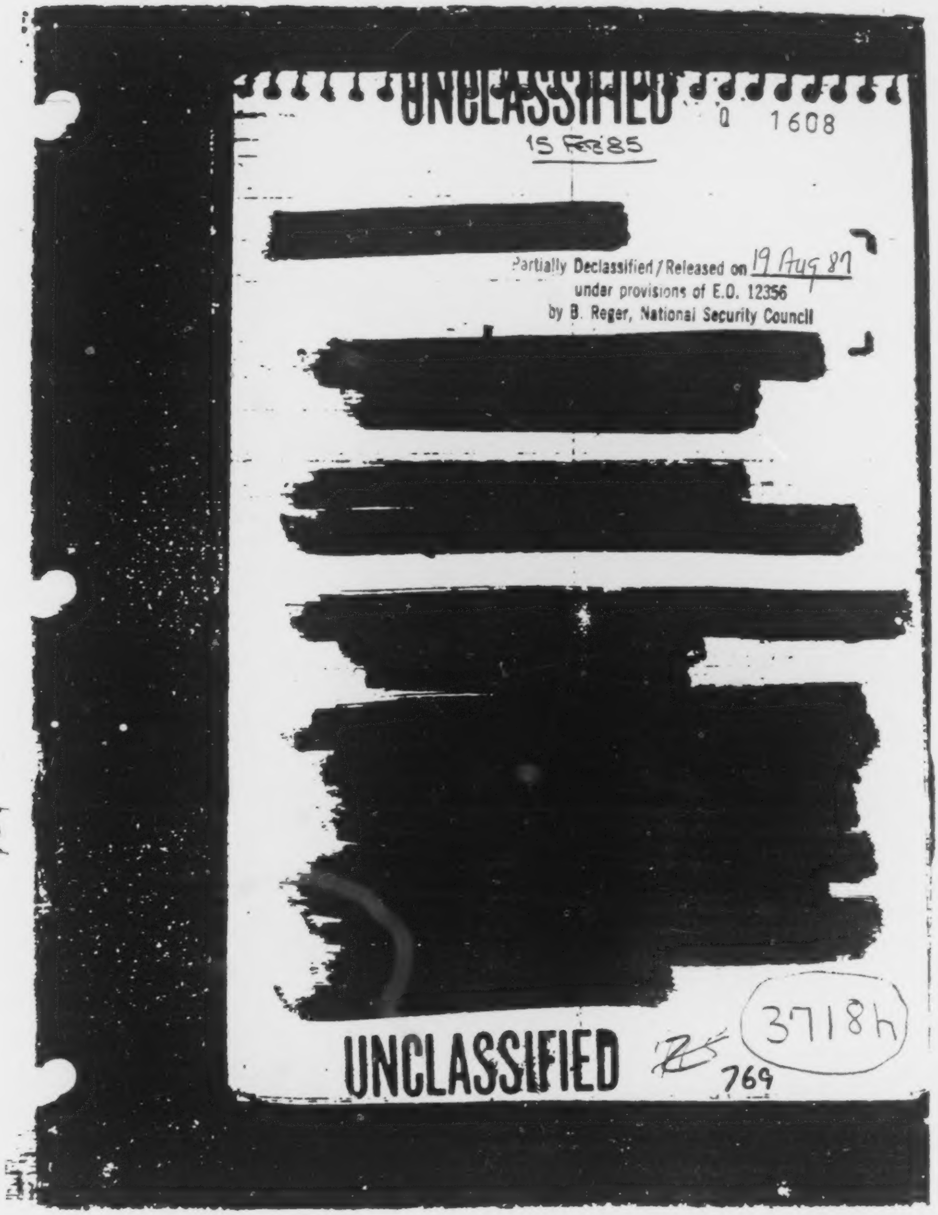
37189

[redacted]

CLASS

768

768



UNCLASSIFIED 0 1608

15 Feb85

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

[redacted]

[redacted]

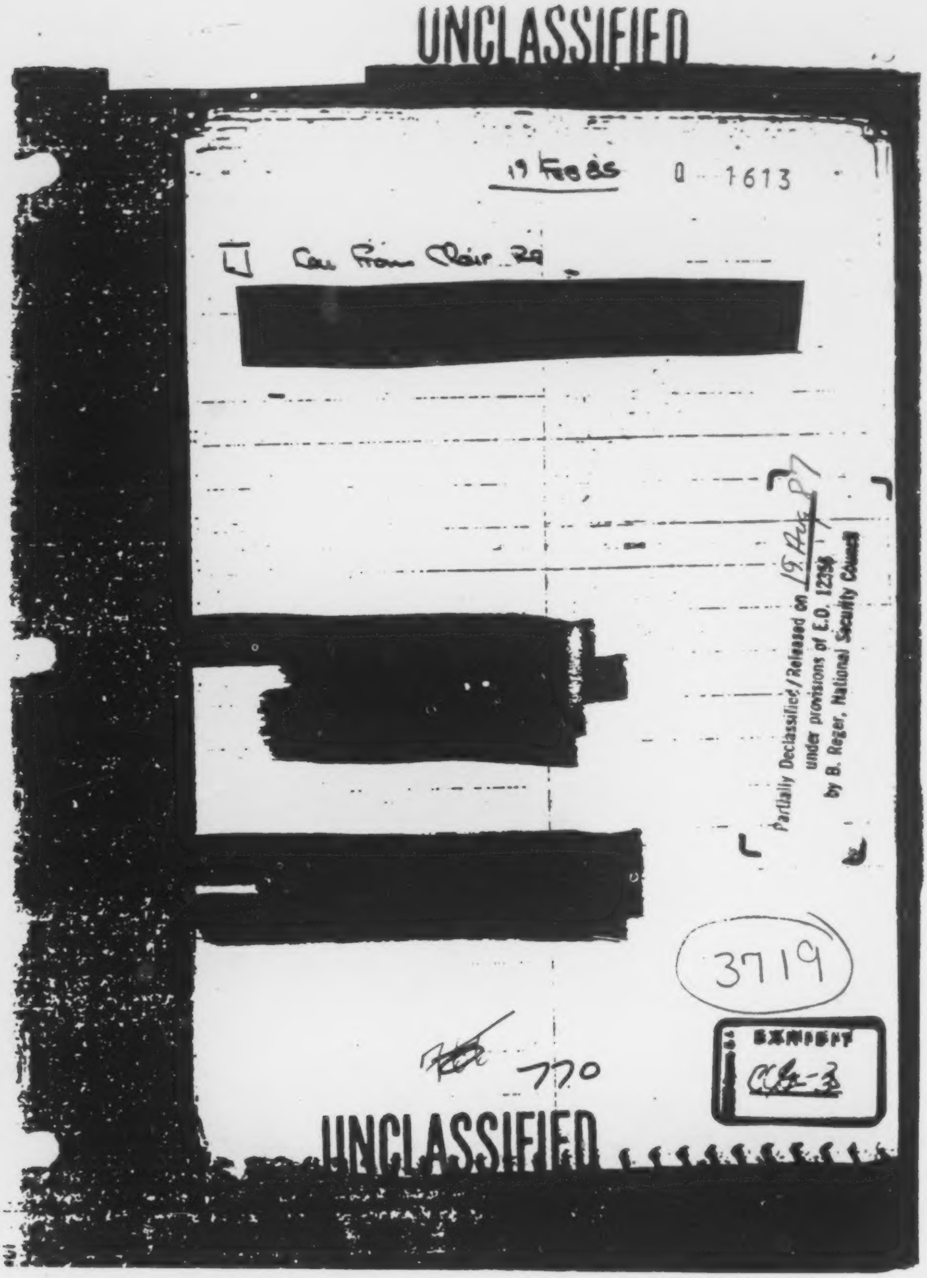
UNCLASSIFIED

3718h

769

769

## EXHIBIT CG-3



UNCLASSIFIED

19 Feb 85 0 1613

☐ Call from Clair 29

[redacted]

[redacted]

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3719

EXHIBIT
CG-3

770

UNCLASSIFIED

UNCLASSIFIED

19 Feb 85

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

Q 1614

2

☐ [illegible] [redacted] [illegible]

30 days

detained Houston Immigration

[redacted]

4YR OLD [redacted]

Flt #67 Denver Arr 1300

[redacted]

☐ Dsc. w/ Gen Gomez
- F.R. told his priority shd be FDN
- Told him in delicate stage of Transition

3719a [redacted]

- Should not perturb process - could not become public - [redacted]

UNCLASSIFIED

UNCLASSIFIED ~~20~~ (C)

19 Feb 85 0 161[redacted]

☐ IC/ -

-Dec. of Levin Repatriation - Terry Arnold

[redacted]

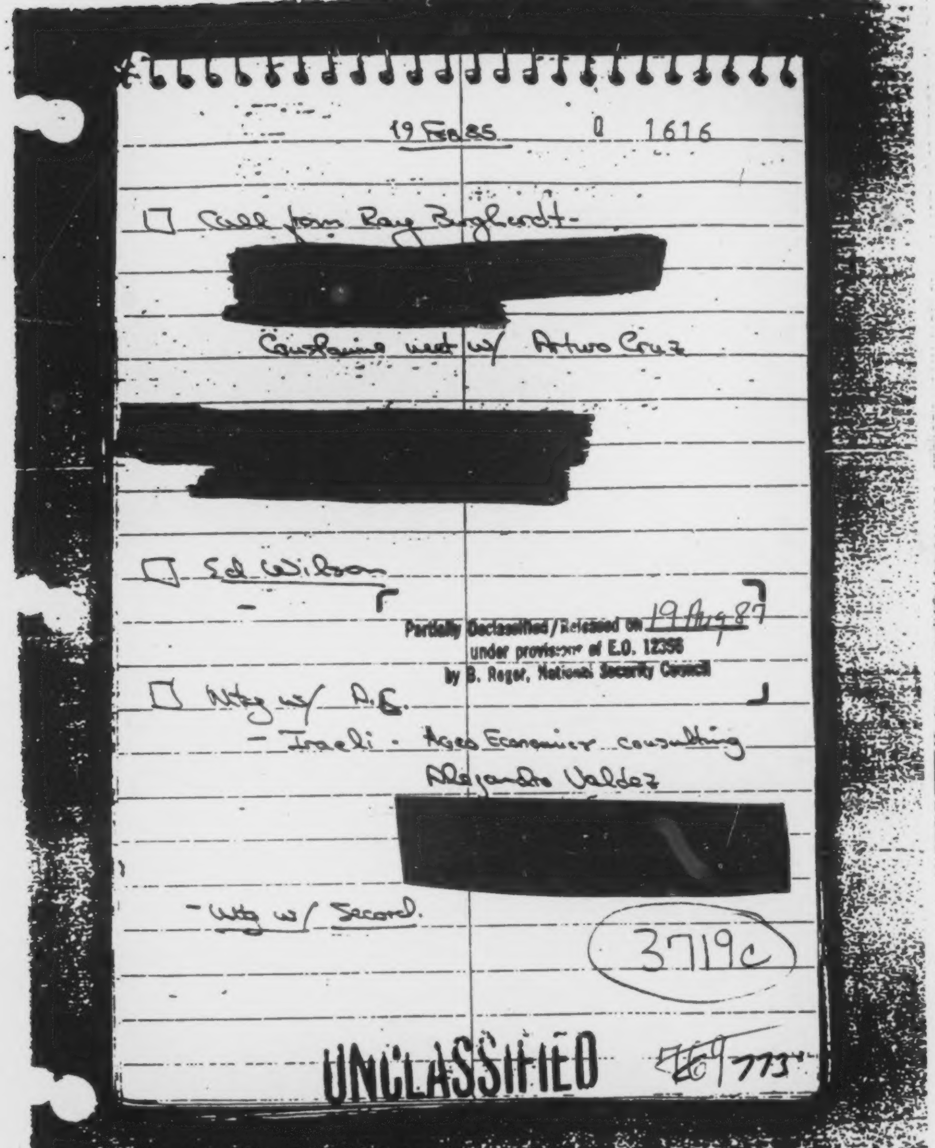
Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

37196

[redacted]

UNCLASSIFIED



19 Feb 85 0 1616

☐ Call from Ray Burghardt-

[redacted]

Confirming visit w/ Arturo Cruz

[redacted]

☐ Ed Wilson

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

☐ Mtg w/ A.G.

- Israeli - Agro Economics consulting

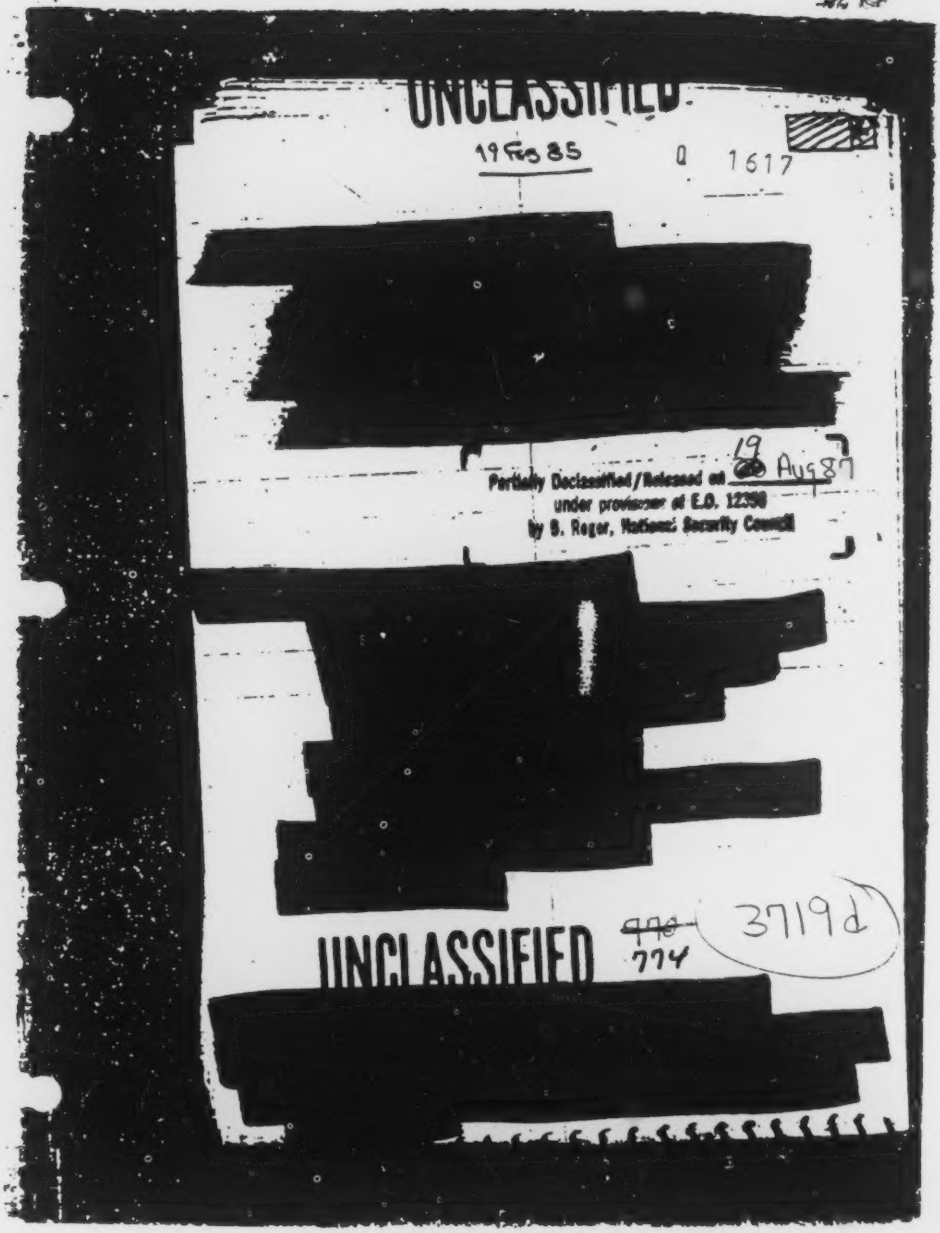
Alejandro Valdez

[redacted]

- Mtg w/ Secord.

3719c

UNCLASSIFIED ~~769~~ 773



UNCLASSIFIED

19 Feb 85

Q 1617

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

UNCLASSIFIED

~~770~~
774

3719d

[redacted]

## EXHIBIT CG-4

UNCLASSIFIED

C 09274

1 March 1985

MEMO[redacted] FOR: [redacted]

VIA: [redacted]

SUBJ[redacted] Meeting of the Ho[redacted]age Locating Task Force

Date: [redacted] February 1985 1330 Hrs
Place: [redacted]xecutive Office Building
Next Meeting: 4 March 1985 1330 Hrs

Following individuals attended this meeting:

| | |
|---|---|
| FBI | Dimitry Droujinsky<br>Carter Cornich |
| DIA | Col. George Hunt<br>Commander Hess |
| DEA | [redacted] |
| State | [redacted] |
| CIA | [redacted] |

This meeting was again a [redacted] one because there were few developments to report since th[redacted] meeting. [redacted] Other items covered:

a. [redacted]

b. [redacted]

c. [redacted]

Partially Declassified/Released on 19 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

EXHIBIT CG-4

(3720)

C11N 3469

UNCLASSIFIED

6 May 87

775

HSC+SSC

UNCLASSIFIED

C 09275

[redacted]

e. [redacted] of DEA mentioned to me that after the meeting he wished to discuss the possibility of some leads, provided by [redacted] that might be of value to us Re locating the hostages. [redacted] might be [redacted] to uncover information on the hostages [redacted]

THIRD AGENCY

1. [redacted]

2. [redacted]

3. [redacted]

[redacted]

[redacted]

A

~~777~~

CIN 3469

6 May 87
HSC & SSC

UNCLASSIFIED

776

## EXHIBIT CG-5

UNCLASSIFIED

C 092

6 March 1985

Partially Declassified/Released on 19 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

MEMO[redacted] FOR: [redacted]

VIA:

SUBJ[redacted]ng of the Hostage Locating Task Force

Date: [redacted] March 1985 1330 Hrs
Place: Executive Office Building
Next Meeting: 11 March 1985 1330 Hrs

Following individuals attended this meeting:
FBI Dimitry Droujinsky
Carter Cornich
DIA Col. George Hunt
Commander Hess
DEA [redacted]
State
CIA

EXHIBIT CG-5

The following subjects were covered during this meeting:

1. The task force was advised that:

a. [redacted]

b. [redacted]

c. [redacted]

3721

6 May 87
HSC & SSC

CIIN 3468

UNCLASSIFIED

777

~~26~~ Ø UNCLASSIFIED C 09272

d. [redacted]

e. [redacted]

2. [redacted]

3. [redacted]

4. [redacted]

5. [redacted] mentioned that Mickey of the White House staff found out that [redacted] is willing to try and find the hostages [redacted] that were mentioned in my last memorandum. [redacted] states that Mickey wants [redacted] was told that we are dealing almost on a daily basis with individuals who are contacting us in order to "sell" information about the hostages. We respond

A

CIIN 3468 UNCLASSIFIED

REVIEWED FOR RELEASE
Date 6 May 87
HSC & SSC

27

UNCLASSIFIED

C 09273

by asking f [redacted] a fides and this is when these informants usually [redacted] stated he understands our position and only [redacted] e that Hickey was really hot on this idea and [redacted] ry to [redacted] pressure on the Agency. [redacted]

[redacted]

a. [redacted]

b. [redacted]

c. [redacted]

d. [redacted]

[redacted]

[redacted]

[redacted]

A

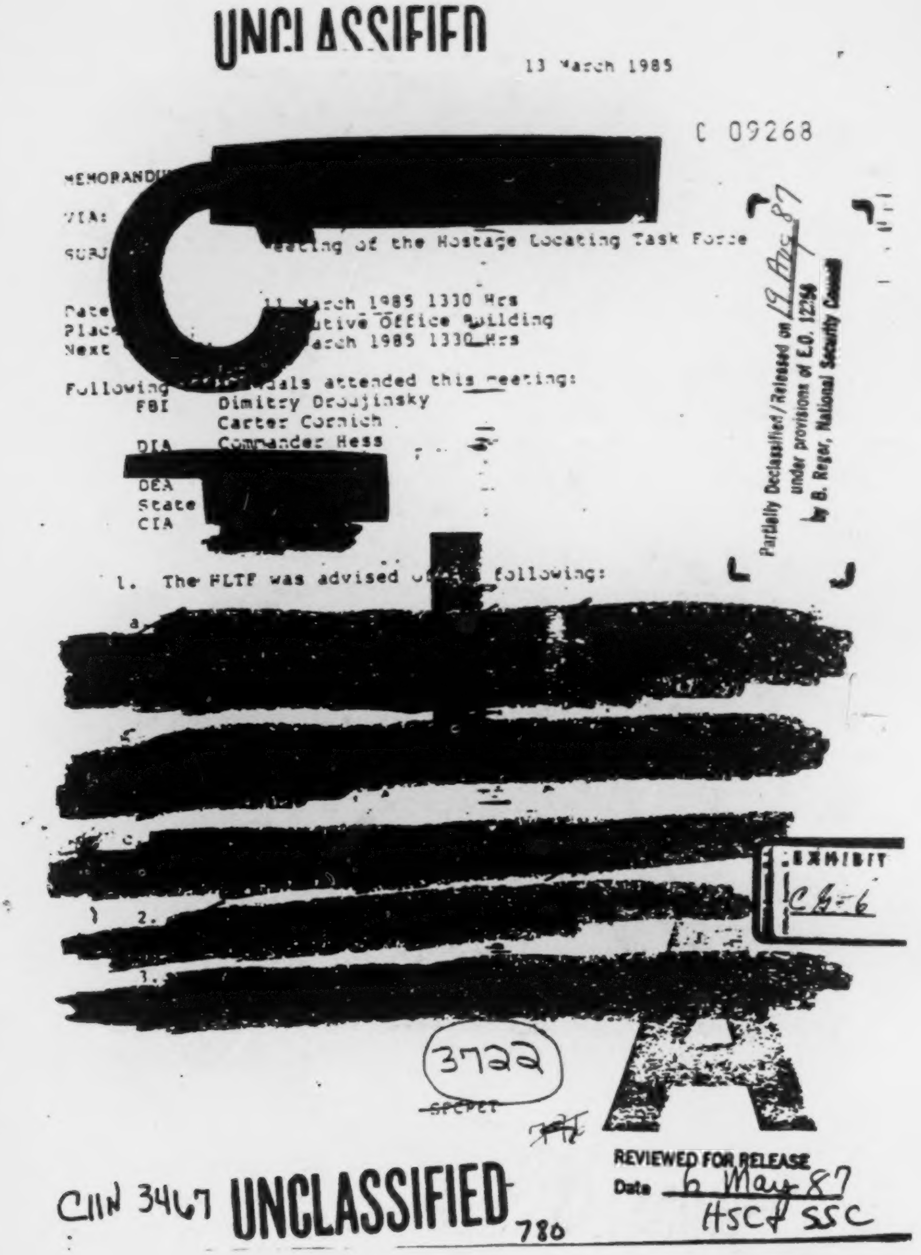
REVIEWED FOR RELEASE
Date 6 May 87
HSC & SSC

CIIN 3468

UNCLASSIFIED

779

EXHIBIT CG–6



UNCLASSIFIED

13 March 1985

C 09268

MEMORANDU [redacted]

VIA: [redacted]

SUBJ [redacted] eeting of the Hostage Locating Task Force

Date [redacted] 11 March 1985 1330 Hrs
Place [redacted] utive Office Building
Next [redacted] arch 1985 1330 Hrs

Following [redacted] als attended this meeting:
FBI Dimitry Droujinsky
Carter Cornich
DIA Commander Hess
[redacted]
DEA
State
CIA [redacted]

1. The HLTF was advised o [redacted] following:

a. [redacted]

b. [redacted]

c. [redacted]

2. [redacted]

3. [redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
CG-6

3722

~~SECRET~~

A

REVIEWED FOR RELEASE
Date 6 May 87
HSC & SSC

CIIN 3467 UNCLASSIFIED

780

Exhibit CG-7

UNCLASSIFIED

C 09269

[redacted]

5. [redacted]

6. [redacted] attempt to acquire solid information on the location an[redacted]lfare of the hostages.

[redacted]

7. [redacted]

8. [redacted]

[illegible] [redacted]

-2-

~~SECRET~~

~~788~~

CIIN 3467 UNCLASSIFIED 781

REVIEWED FOR RELEASE
Date 6 May 87
HSC/SSC

UNCLASSIFIED

21

26 June 1985

C 092[illegible]0

MEMORAND[redacted]

VIA: [redacted]

FROM: [redacted]

SUBJEC[redacted] Me[redacted] of the Hostage Locating Task Force

Date: [redacted]ne 1985, 1330 Hours
Place: [redacted]cutive Office Building
Next Meeting: 29 June 1985, 1330 Hours

Following individuals attended this meeting:

FBI Carter Cornich & Dimitry Droujinsky
DIA Lt. Col. Roger Yarbo
[redacted]
DEA
STATE [redacted]
CIA

Partially Declassified/Released on 17 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

1. Following information wa[redacted]ovided at the HLTF meeting:

A. [redacted]

B. [redacted]

C. [redacted] of DEA [redacted] is still upset because we doubted its authenticity. [redacted]

D. [redacted]

3722a

~~SECRET~~

[illegible] APPROVED FOR RELEASE
Date 6 May 87
HSC & SSC

C11N 3462

UNCLASSIFIED

782

31 ~~30~~ UNCLASSIFIED

11 Dec

☐ Doc. w/ A.C. 1668

- 2 POW's [redacted]

- 18th Delivery
- Captured large quantities of wpns
- 29 FDN KIA / 48 WIA
- Pastora ?
- Rec.

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

12 Dec 85

- Call from Col [illegible]
  - History Prob. - Independent Action

[redacted]

3723

~~999~~
783

32

UNCLASSIFIED

12 Mar

Q 1669

☐ Conf [illegible] (cont'd)

[redacted]

payoff

- Docmts will be delivered
- Fundamental decision: Do we pay ransom?
- convinced that [redacted] was paid

☐ Call from Clarridge

[redacted]. Green - to DDI - at Langley

- Two Brits w/ FDN -
- No Names
- CIA has info of [redacted]

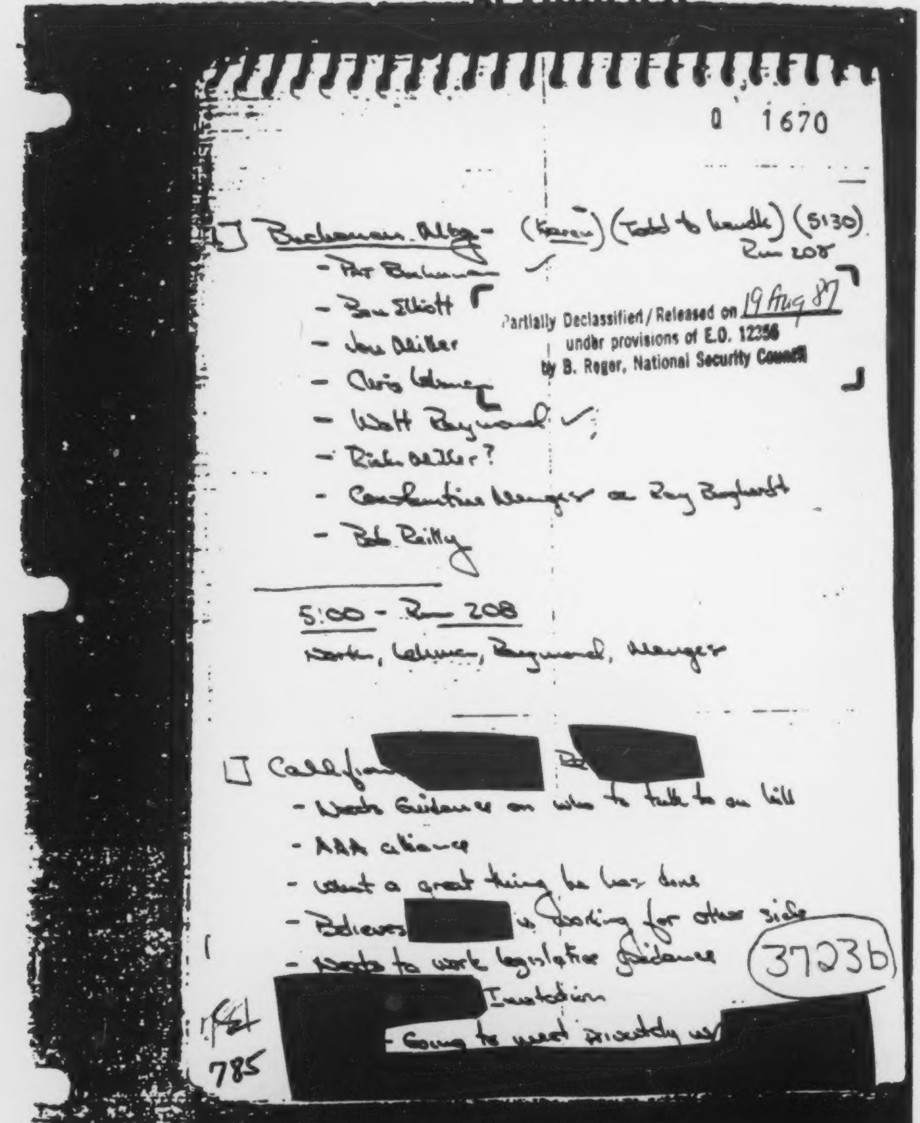
Partially Declassified / Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

37233a

784

UNCLASSIFIED

~~33~~



0 1670

☐ Buchanan Bldg - (Karen) (Todd to handle) (5130)
Rm 208
- Pat Buchanan ✓
- Ben Elliott
- Jim Miller
- Chris Lehman
- Walt Raymond ✓
- Rich Miller?
- Constantine Menges or Ray Burghardt
- Bob Reilly

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

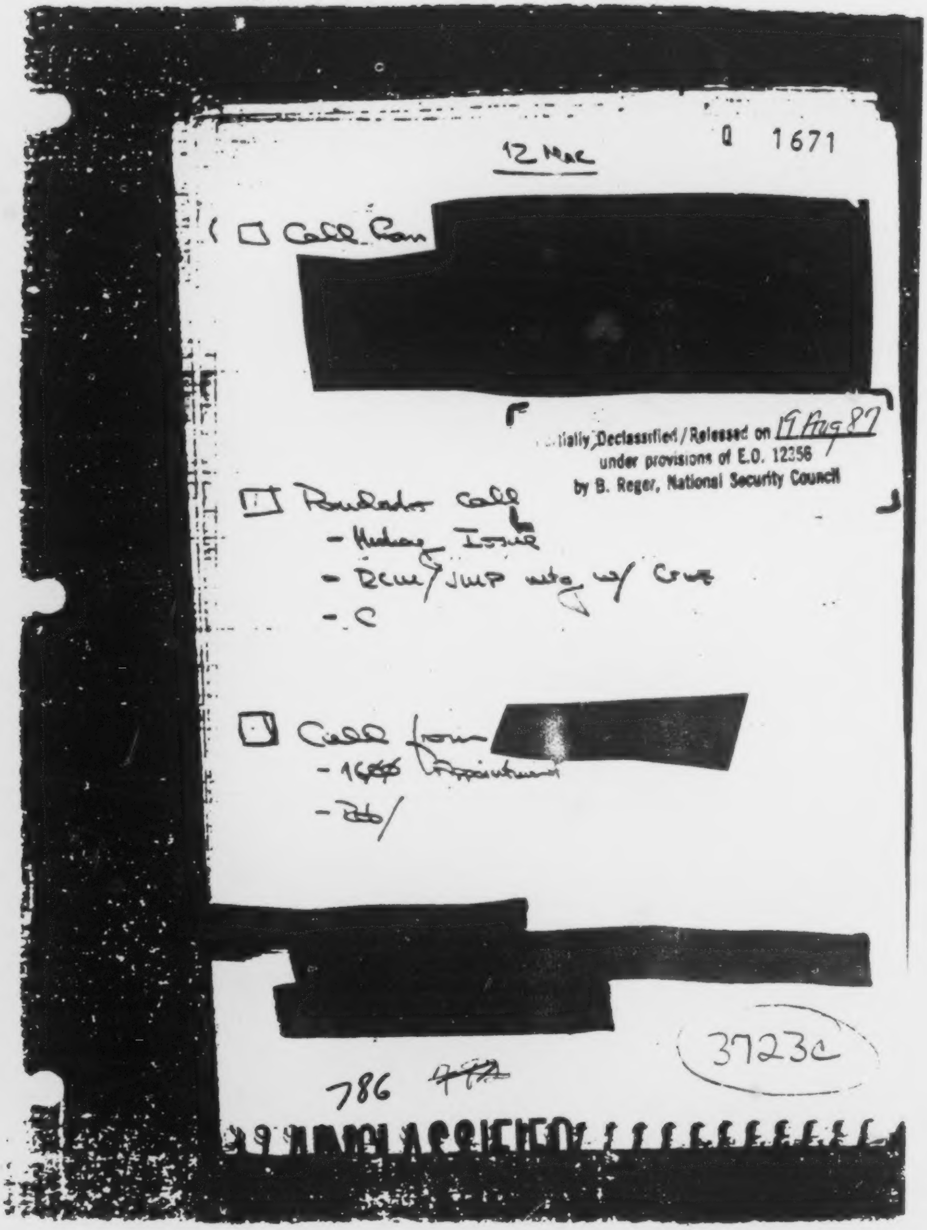
5:00 - Rm 208
North, Lehman, Raymond, Menges

☐ Call from [redacted] Re [redacted]
- Wants Guidance on who to talk to on hill
- AAA alliance
- What a great thing he has done
- Believes [redacted] is working for other side
- Wants to work legislative guidance
[redacted] Invitation
- Going to meet privately w [redacted]

785

3723b

37



Q 1671

12 Mar

( ☐ Call from [redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

☐ Poindexter call
- Hudson Issue
- RCM/JMP mtg w/ Cruz
- C

☐ Call from [redacted]
- 1600 Appointment
- Bob/

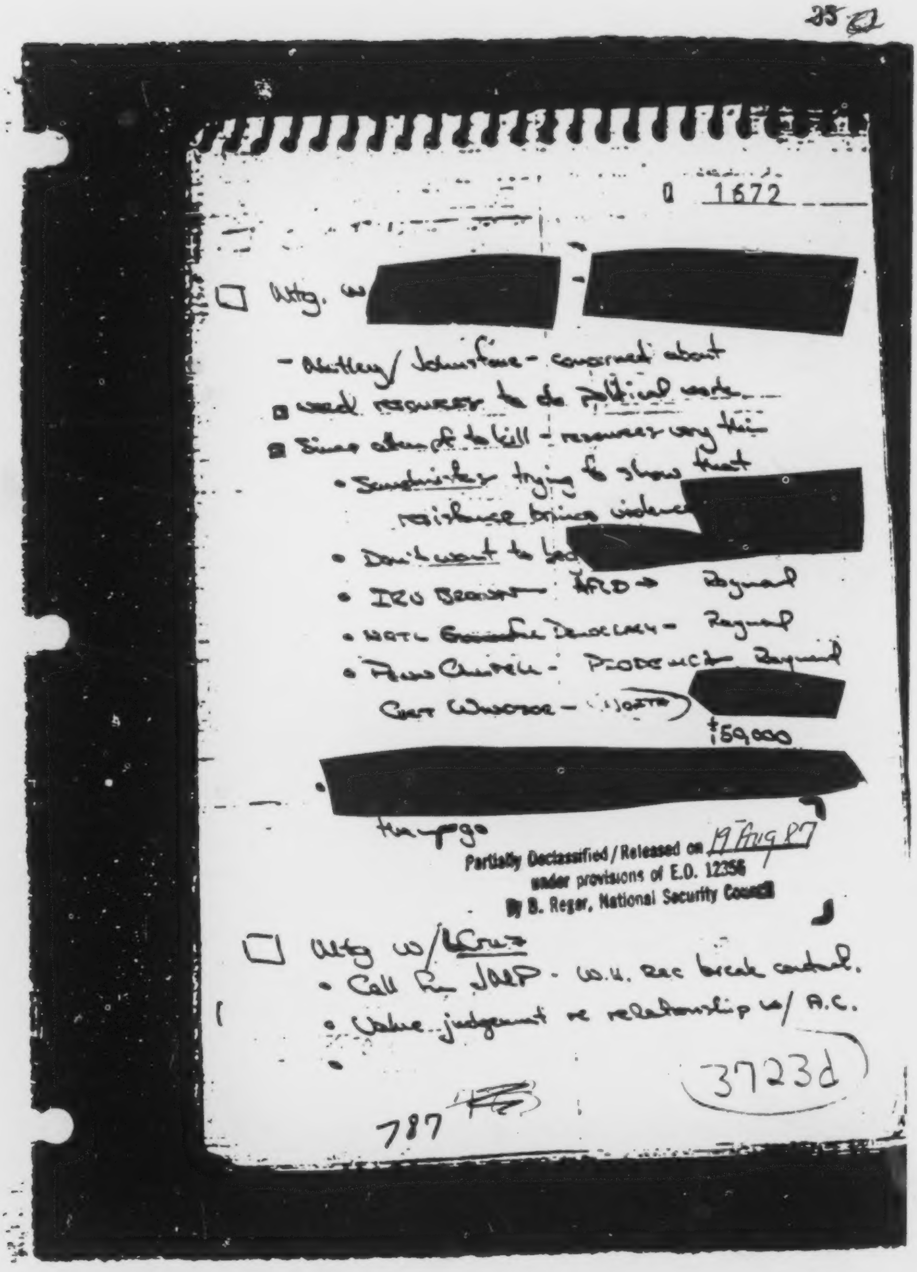
[redacted]

3723c

786 ~~[illegible]~~

UNCLASSIFIED

25



0 1672

☐ Mtg. w [redacted] - [redacted]

- Whitley/ Johnstone - concerned about
- ▪ need resources to do political work
- ▪ Since attempt to kill - resources very thin
  - Sandinistas trying to show that resistance brings violence [redacted]
  - Don't want to be [redacted]
  - IRV BROWN — AFLD → Raymond
  - NATL Endowment DEMOCRACY - Raymond
  - [illegible] - PRODEMCA - Raymond

    Curt Winsor - ([illegible]) [redacted]

    $59,000
  - [redacted]

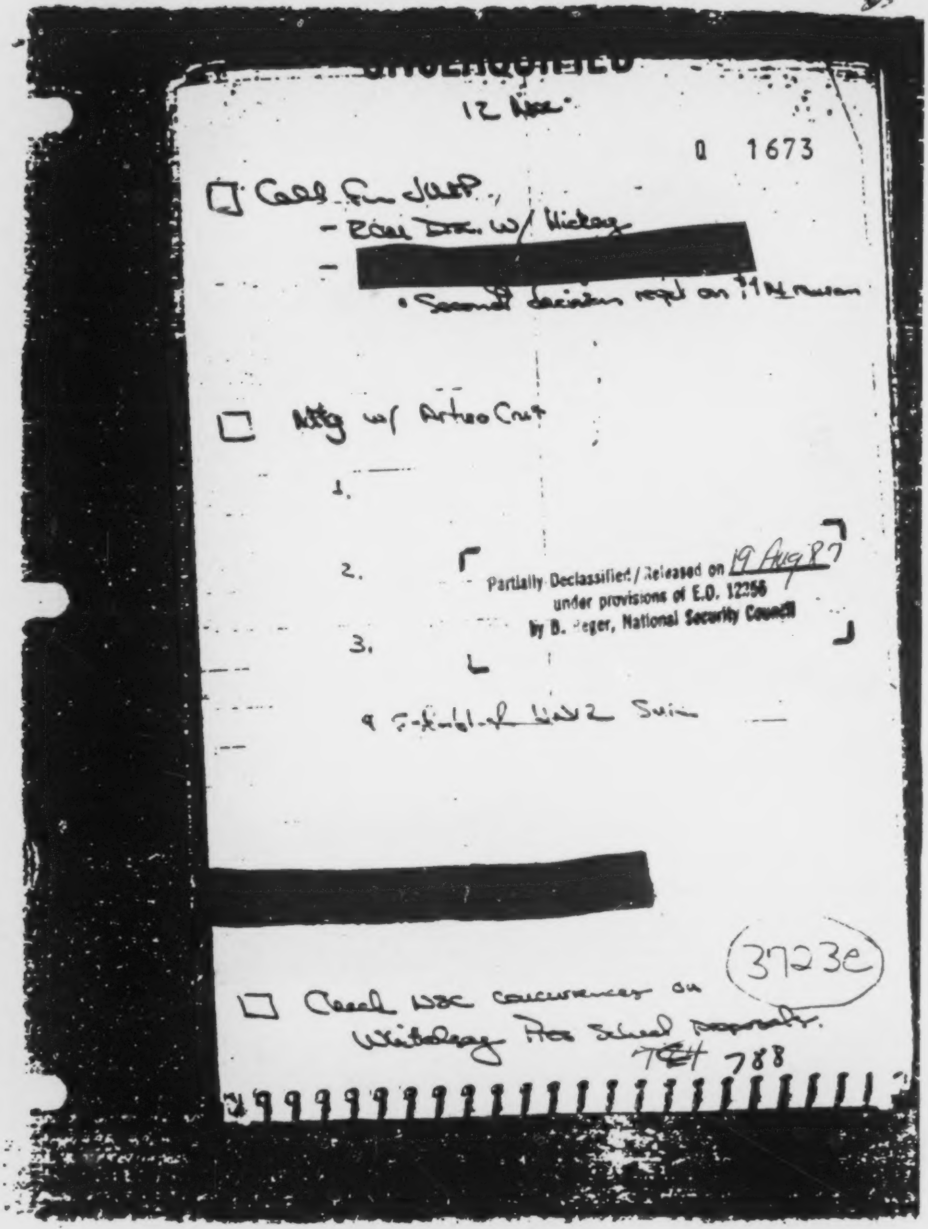
turn page

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
By B. Reger, National Security Council

☐ Mtg w/ A. Cruz
- Call fr JAAP - W.H. rec break contact.
- Value judgment re relationship w/ A.C.
-

3723d

787



[illegible]

UNCLASSIFIED

12 Nov

Q 1673

☐ Call fm JWP.,
- Rail Dir. w/ Hickey
- [redacted]
• Second decision req'd on 11th mission

☐ Mtg w/ Arturo Cruz
1.
2.
3.

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

9 [illegible] Swim

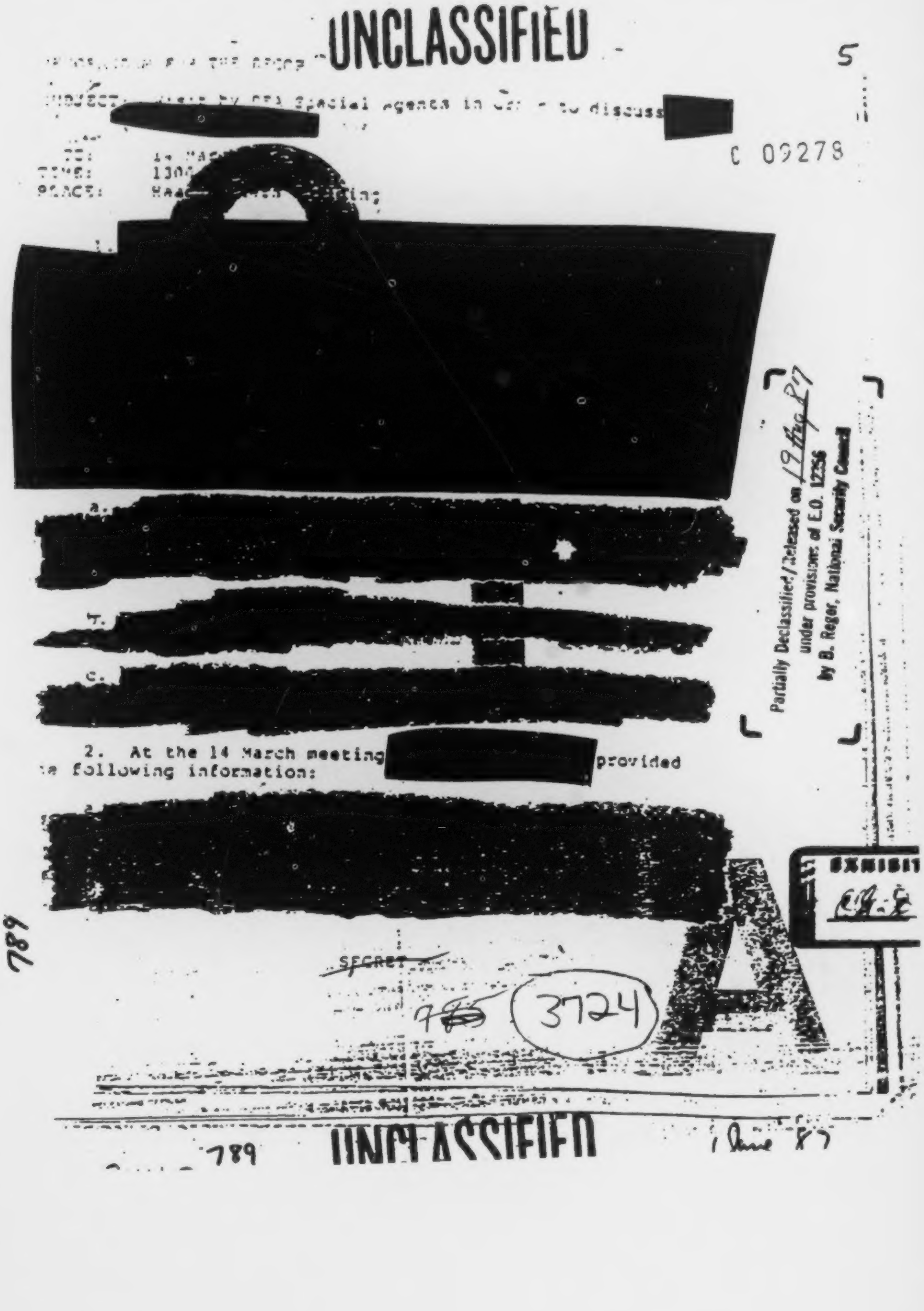
[redacted]

(3723e)

☐ Check NSC concurrence on Whitaker Pres School proposals.

TEH 788

## EXHIBIT CG-8



UNCLASSIFIED

MEMORANDUM FOR THE RECORD

5

SUBJECT: Visit by FBI Special Agents in [illegible] to discuss [redacted]
[redacted]

C 09278

DATE: 14 Ma
TIME: 130
PLACE: Hea [illegible] ding

[redacted]

1. [redacted]

a. [redacted]

b. [redacted]

c. [redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

2. At the 14 March meeting [redacted] provided the following information:

a. [redacted]

EXHIBIT
CG-8

789

~~SECRET~~

7~~85~~ 3724

A

789 UNCLASSIFIED 1 June 87

UNCLASSIFIED

~~08~~
6

C 09279

THIRD AGENCY - DEA

[redacted]

3. [redacted]

4. [redacted]

5. The three DEA agents who are involved with this [redacted] may be able to [redacted] with information that would assist in bringing [redacted] the release of the hostages. [redacted]

details?

[redacted]e was called by the White House morning of 14 March and [redacted] mentioned [redacted]ended to meet with several individuals (NFI). [redacted]

[redacted]

-2-

SECRET

790

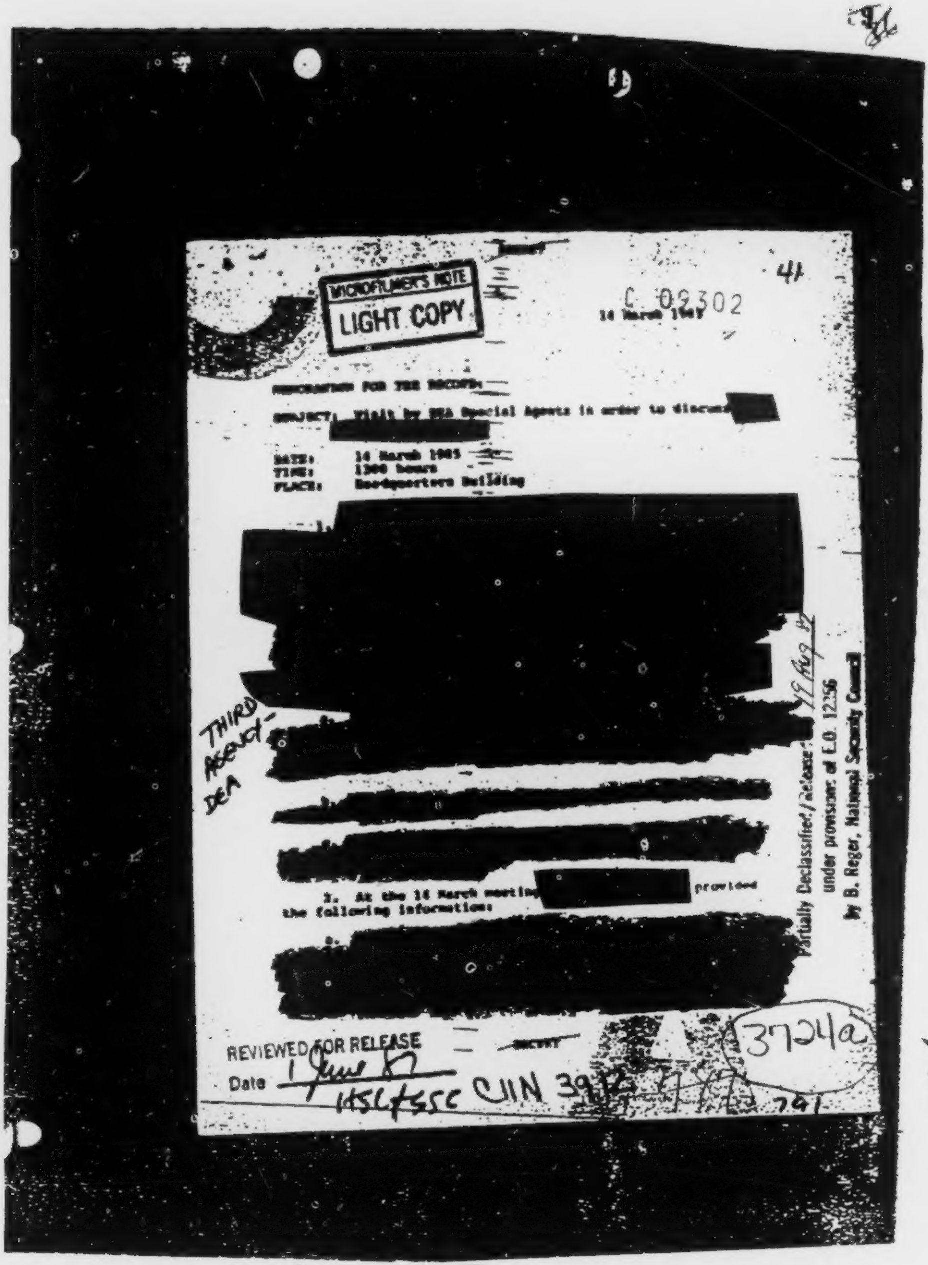
CIIN 3897

REVIEWED FOR RELEASE
Date 1 June 87
HSC & SSC

RELEASING OFFICER

UNCLASSIFIED

790



~~SECRET~~

MICROFILMER'S NOTE
LIGHT COPY

41

C 02302

14 March 1985

MEMORANDUM FOR THE RECORD:

SUBJECT: Visit by DEA Special Agents in order to discuss [redacted] [redacted]

DATE: 14 March 1985
TIME: 1300 hours
PLACE: Headquarters Building

1. [redacted]

THIRD AGENCY- DEA

2. At the 14 March meeting [redacted] provided the following information:

a. [redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 1 June 87

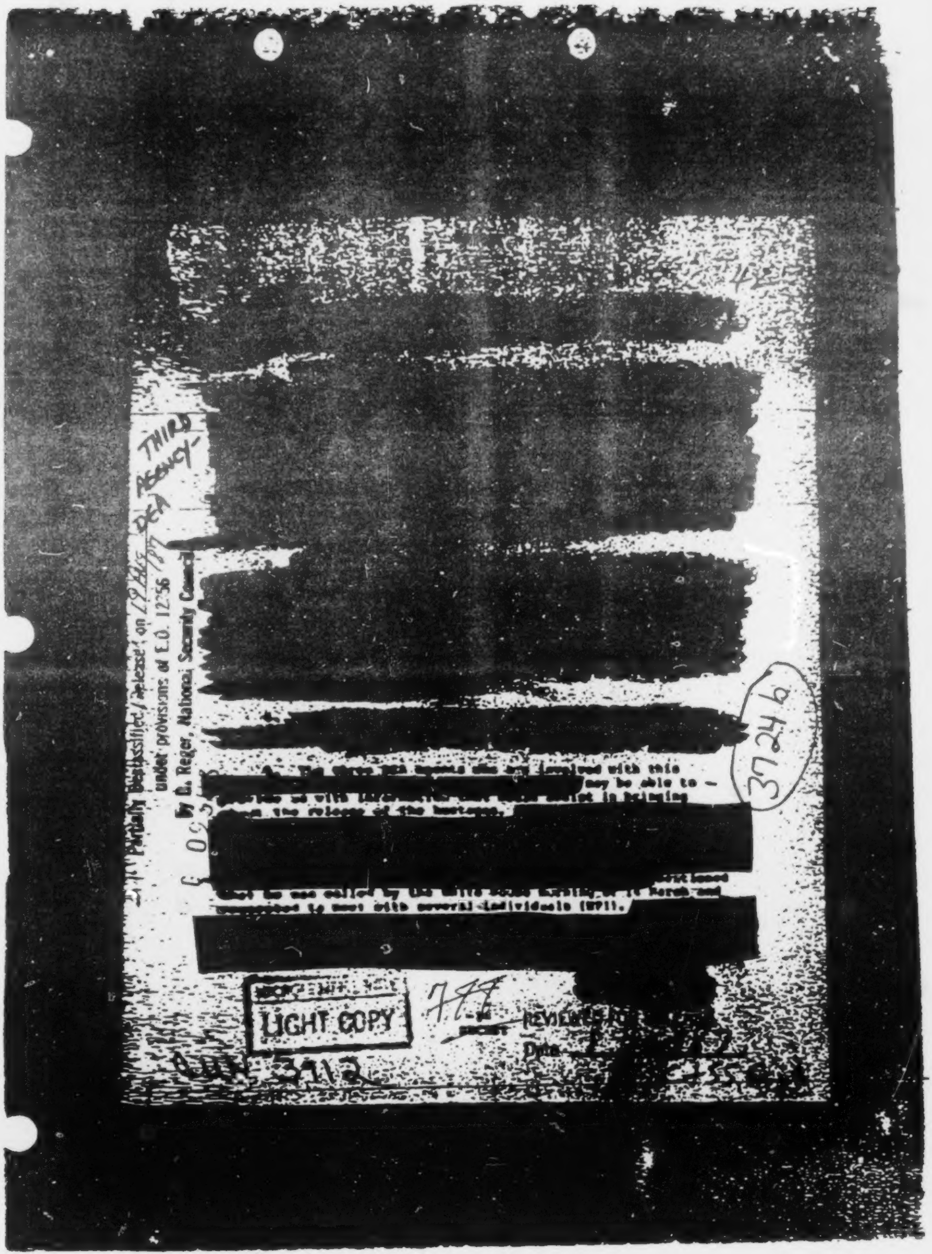
~~SECRET~~

HSC/SSC CIIN 39 [illegible]

3724a

791

792



Partially Declassified/Released on 29 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

THIRD AGENCY- DEA

C 09

[redacted]

[redacted]

[redacted]

4. The three DEA agents who are involved with this [redacted] may be able to – provide us with information that would assist in bringing about the release of the hostages.

[redacted] mentioned when he was called by the White House morning of 13 March and volunteered to meet with several individuals (S71).

[redacted]

3724b

LIGHT COPY

797

SECRET

REVIEWED

Date

N 3712

EXHIBIT CG-9

Document

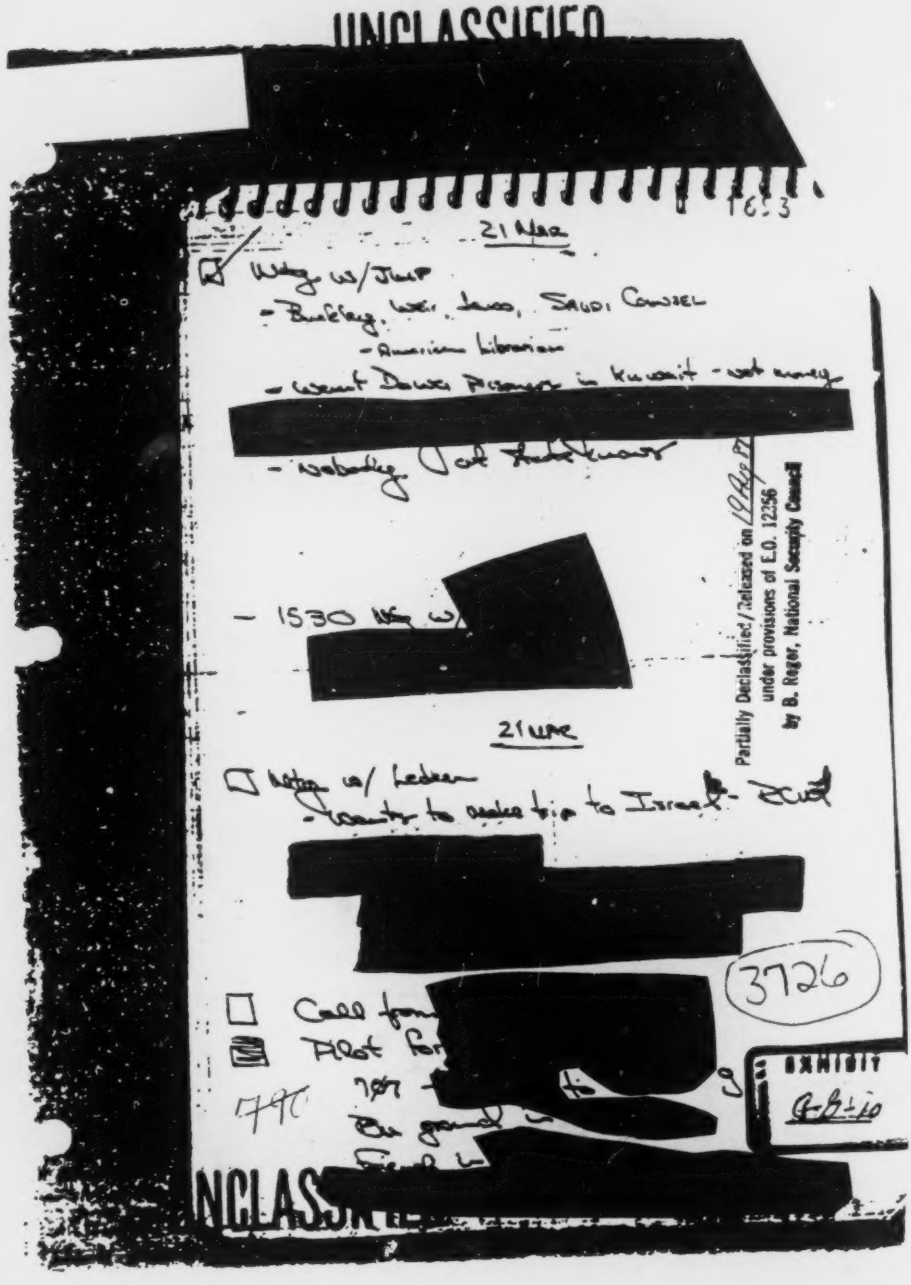
exhibit [illegible]9
5 p[illegible])

Deleted in its

Entirety

[illegible] 3725

EXHIBIT CG-10



UNCLASSIFIED

[redacted]

1653

21 Mar

☒ Mtg w/ JMP
- Buckley, Weir, Jenco, Saudi Counsel
  - American Librarian
- Want Dawa prisoners in Kuwait - not money

[redacted]

- Nobody at State knows

- 1530 Mtg w/ [redacted]

21 Mar

☐ Mtg w/ Ledeen
- Wants to make trip to Israel - Rcvd

[redacted]

☐ Call from [redacted]

☒ Pilot for [redacted]

707 - [redacted] to [redacted]

On ground w [redacted]

Fixed w [redacted]

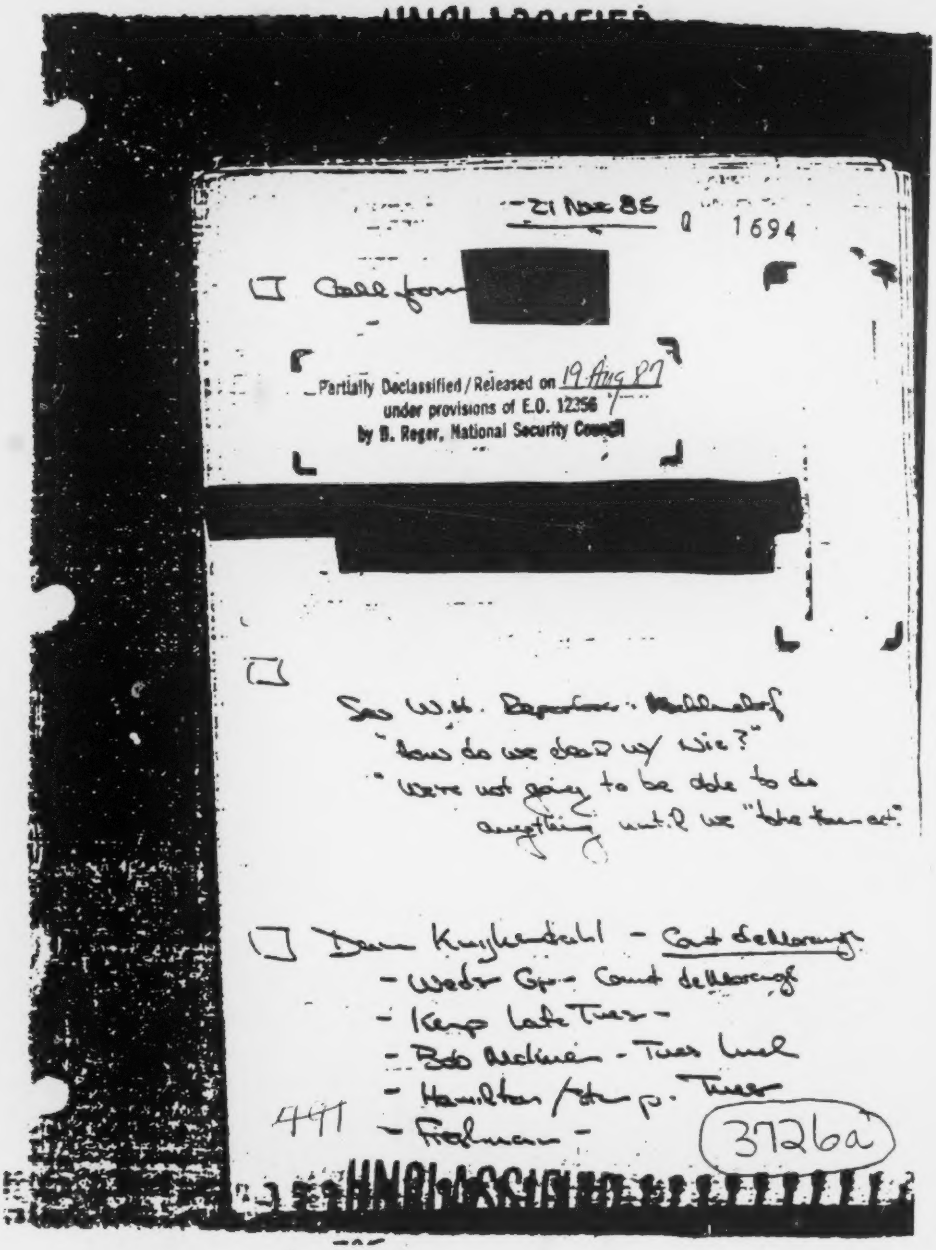
NCLASS[redacted]

3726

1790

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
CG-10



UNCLASSIFIED

21 Nov 85 1694

☐ Call from [redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

☐

Saw W.H. Reporters - [illegible]
"How do we deal w/ Nic?"
"We're not going to be able to do anything until we "take them out."

☐ Dan Kuykendall - Contr deliveries
- Weds Gp - Contr deliveries
- Kemp late Tues -
- Bob Michel - Tues lunch
- Hamilton/Thomp. Tues
- Fishman -

441

3726a

UNCLASSIFIED

**Exhibit CG–11**

Document

Exhibit CG-11

(1pg)

Deleted in its

Entirety

742 3727

## EXHIBIT CG-12

UNCLASSIFIED

~~SECRET~~

C 09289

EXHIBIT
CG-12

30 April 1985

MEMORANDUM FOR: [redacted]
VIA:
FROM:

SUBJECT: DEA [redacted] attempting to gain release of the hostages

1. On 29 April, [redacted] the DEA representative to the HLTF, visited Headquarters and met with [redacted] The main objective of this meeting was to advise us that on 25 April he, [redacted] (also DEA agents) were asked by Hickey to meet with Lt. Col. Ollie North so they might brief him on the activities [redacted] It appears that North approved of this activity, so much so that he has already received a commitment from an unidentified businessman who agreed to put up the one million dollars needed for the final payment if and when the hostages are turned over to us. [redacted] is certain that the unidentified benefactor is Ross Perot). Over the weekend, [redacted] was told by North that the DDO should be advised that a businessman has agreed to pay the one million dollars.

2. After [redacted] met with the White House representatives on 25 April, they were called in by the DEA Deputy Director who is monitoring this case. This Deputy Director made it perfectly clear that DEA should not be involved in this type of operation but are cooperating only because there is a possibility that they can assist in the release of the hostages. [redacted] stated that there is bad blood between North and DEA because of a problem North created for DEA last year which had to do with a DEA operation that involved Nicaragua. The Deputy Director told both [redacted] that [redacted] is in charge of this operation which deals with the hostages and no action will be taken without his approval.

3. [redacted] wanted to advise [redacted] of the above and that he will not authorize any portion of the $1,200,000 be paid [redacted] unless CIA is satisfied with the bona fides he provides and CIA agrees that we are ready to move ahead with this operation.

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

797

3728

~~SECRET~~

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 1 June 87
HSC/SSC

## EXHIBIT CG-13

UNCLASSIFIED

10 May 85 - 12

C 09285

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

In a meeting with [redacted]

[redacted]

EXHIBIT
CG-13

[redacted]

THIRD AGENCY - DEA

4. [redacted]

5. [redacted]

6. [redacted] himself is somewhat skeptical about what is taking place. [redacted] This is also the third time DEA has [redacted] without any prior coordination with the Agency.

[redacted]

3729

~~SECRET~~

[redacted]

REVIEWED FOR RELEASE
Date 1 June 87
HSC & SSC

797

UNCLASSIFIED

EXHIBIT CG-14

Document

Exhibit CG-14

Deleted in its

Entirety

~~795~~ (3730)

Exhibit CG-15

UNCLASSIFIED

Partially Declassified/Released on 19 May 87
under provisions of E.O. 12356
by B. Reger, National Security Council

SYSTEM IV
NSC/ICS-400554

MEMORANDUM

NATIONAL SECURITY COUNCIL

May 24, 1985

TOP SECRET

CODEWORD

ACTION

N 45300

3731

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: AMCIT Hostages

[redacted]

~~TOP SECRET~~
Declassify: OADR

UNCLASSIFIED

~~796~~ 800

~~CODEWORD~~

EXHIBIT
[illegible]

UNCLASSIFIED

~~TOP SECRET~~

~~TOP SECRET~~ 2 ~~CODEWORD~~

N 45301

[redacted]

~~TOP SECRET~~ ~~TOP SECRET~~ ~~CODEWORD~~

UNCLASSIFIED

UNCLASSIFIED

-- [redacted]

-- DEA. The DEA contact has indicated that for $4M in bribes the Americans can be spirited out [redacted] and delivered to [redacted] they will be turned over to the U.S. Their contact has proposed a scenario by which he would be provided with $200K in cash to start the process. $1.5M would be placed in a Swiss bank account--payable to [redacted] once the turnover had been completed. [redacted] a $500K cash transfer would take place as the first two Americans were released to U.S. hands. The second two Americans would be turned over as soon as a second $2M was placed in the Swiss account.

The CIA became aware of this proposal in general some weeks ago when the DEA rep to the HLTF described the contact which had been made in Lebanon. Since that time, two DEA officers [redacted] have met in Cyprus with their contact [redacted]

- Their source needs to establish the credibility of the offer with the $200K. The source has been told that if he "double-crosses" the DEA and does not produce for the $200K that he will be exposed in Lebanon as a USG asset. The source is aware of the consequences of such revelation.

- Only the $200K is placed at risk if the operation is not credible. According to the DEA, there are [redacted] who must be bribed in order to implement the safe recovery described above. Thus, the higher cost than was originally forecast.

UNCLASSIFIED

~~798~~
802

UNCLASSIFIED

~~TOP SECRET~~ 4 ~~CODEWORD~~ N 45303

[redacted] All of the other options, except the DEA plan, ~~appear~~ to have an equally poor chance of success. The two DEA officers have not briefed their superior (Azzam) on the plan since he has resisted the use of USG money for a bribe which he feels would likely leak when briefed by the CIA. He is concerned that when the Congressional committees are made aware of the $200K that DEA would be tainted by another CIA failure.

RECOMMENDATIONS

1. That you call Ed Meese and ask him to be briefed by North on the DEA plan.

Approve _____ Disapprove JP But will brief as appropriate

2. That you authorize me to transfer the privately provided $200K to the DEA officers for initiating the plan described above.

Approve JP Disapprove _____

3. That you send the CABO cable at Tab I .

Approve RCM Disapprove _____

Attachments [redacted]
Tab I -

~~TOP SECRET~~ ~~TOP SECRET~~ 1177 CODEWORD

UNCLASSIFIED 803

UNCLASSIFIED

N 45304 TA:
I

UNCLASSIFIED

UNCLASSIFIED

Eleven pages deleted

5-29-87 N 45305

UNCLASSIFIED

UNCLASSIFIED

12094

N 45306

NATIONAL SECURITY COUNCIL

Jim R -

Please do not reproduce any copies or share w/anyone w/o talking to DN.

P.S. I know you don't but especially not this

P.S.S. Tillman might have interests in it.

Thx Ronnie

UNCLASSIFIED

## EXHIBIT CG-16

UNCLASSIFIED

7

3 June 1985

C 09230

Partially Declassified/Released on 14 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

C

RANDUM FOR: VADM John Poindexter
Deputy Assistant to the President
for National Security Affairs
The White House

Hostage Locating Task Force Meeting, 3 June 1985

EXHIBIT
CG-16

1. The HLTF met on 3 June 1985.

2. [redacted]

3. [redacted] here were few developments during the past week. [redacted] The DEA [redacted] no apparent additional results. [redacted]

[redacted]

3732

DECL OADR
HUM 4-82
ALL SECRET

CLN 3898 UNCLASSIFIED

REVIEWED FOR RELEASE
Date 1 June 87

EXHIBIT CG–17

UNCLASSIFIED

The White House

System # ______

Package # ______

N 7417

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

| | SEQUENCE TO | HAS SEEN | DISPOSITIO |
|---|---|---|---|
| Paul Thompson | | | |
| Bob Kimmitt | | | |
| John Poindexter | 1 | J | |
| Tom Shull | | | |
| Wilma Hall | | | |
| Bud McFarlane | 2 | M | A |
| Bob Kimmitt | | | |
| NSC Secretariat | | | |
| Situation Room | | | |
| JP | 3 | ψ | |

I = Information A = Action R = Retain D = Dispatch N = No further Act

cc: VP Meese Baker Deaver Other ______

COMMENTS Should be seen by: ______
(Date/Time)

3133

Bud,

I have told Ollie to plan to go [illegible] with [illegible] Confirm when he calls me in the morning. Please call me after you have read this.

J

[redacted]

808

UNCLASSIFIED E04 [illegible]

UNCLASSIFIED

~~TOP SECRET~~ TOP SECRET SENSIT

| To | Name and Address | Date | Initials |
|---|---|---|---|
| ① | Robert McFarlane | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |

EYES ONLY

| | | |
|---|---|---|
| X | ACTION | FILE |
| | APPROVAL | INFORMATION |
| | COMMENT | PREPARE REPLY |
| | CONCURRENCE | RECOMMENDATION |
| | DIRECT REPLY | RETURN |
| | DISPATCH | SIGNATURE |

REMARKS:
cc: Oliver North (#2 and 3)

EYES ONLY

N 7418

NSC/ICS CONTROL NO. 400587

COPY NO. 1 OF 3

HANDLE VIA SYSTEM IV CHANNEL ONLY

EYES ONLY

# NSC INTELLIGENCE DOCUMENT

37330

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

E Y E S O N L Y

UNCLASSIFIED

~~TOP SECRET SENSITIVE~~

~~TOP SECRET~~

809

[illegible]

UNCLASSIFIED

~~TOP SECRET~~

MEMORANDUM

SYSTEM IV
NSC/ICS-400587

NATIONAL SECURITY COUNCIL

June 7, 1985

N 7419

TOP SECRET

ACTION

EYES ONLY

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Status of Hostage Recovery Efforts

The two independent hostage recovery activities briefed last Saturday have proceeded as follows:

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

TOP SECRET
Declassify: OADR

~~TOP SECRET~~

UNCLASSIFIED

37336

~~Sett~~

UNCLASSIFIED
~~TOP SECRET~~ EYES ONLY

N 7420

[redacted]

DEA operation. At the request of the two DEA officers who originated the contact in Lebanon, I met with their asset in Washington. Last week, their intermediary expressed concern with proceeding with the operation based on the instability inside Lebanon. In response to their urgings (the DEA officers were made aware of the possibility that the Dawa prisoners could be executed shortly after the end of Ramadan--June 19) and the death of one of his contacts inside Lebanon, he has now agreed to proceed as follows:

-- He will depart Saturday, June 8, and meet a [redacted] contact in Europe as well as a [redacted] who was the secondary contact inside Lebanon. He will urge [redacted] to return to Lebanon and arrange for a meeting on Cyprus among one DEA officer [redacted] himself, and [redacted]

-- Once contact has been established and a meeting arranged, the two DEA officers will depart for Cyprus via Vienna where they will deposit the $200K and establish an account for the $2M ($500K of which will be available immediately in U.S. dollars cash for use in Lebanon). [redacted] will then proceed to the meeting indicated above.

~~TOP SECRET~~ EYES ONLY
UNCLASSIFIED

UNCLASSIFIED

~~TOP SECRET~~ EYES ONLY

N 7421

-- The primary DEA contact [redacted] believes that the hostages can be bribed free for $1M a piece as follows:

- The $200K will be sufficient to bribe the [redacted] This money will be passed [redacted]

- [redacted] will turn over the hostages to [redacted] who will transport them [redacted]

- Transport [redacted] will cost in excess of $250K apiece in order to bribe [redacted] believes that the $200K in cash will be sufficient to establish bona fides to [redacted] to agree to passage of at least 2 hostages. Once the operation is underway and the hostages are through [redacted] will be provided with $500K in cash.

- [redacted] will turn the hostages over to [redacted] where they will be placed aboard a rented yacht for transport to Cyprus.

- One of the DEA officers [redacted] will have proceeded to Cyprus to rent a safehouse as a temporary holding location in the event that all hostages are not recovered in the first attempt.

- The remaining $1.5M made available by the donor will be released from the account in Vienna as soon as the hostages are aboard the yacht and at sea [redacted] These funds will be used to pay the [redacted]

It is assumed that the price cannot be negotiated down given the number of people requiring bribes. Both the DEA and [redacted] believe that this effort will produce two hostages and that additional hostages will be released for $1M each. The safehouse will be used to harbor/treat the first two hostages while arrangements (both financial and operational) are being made for the remaining hostages. [redacted] believes that 72-96 hours would be required for a second round. This assumes that additional funding is available on a near real-time basis. The donor is aware that the price being asked is $1M each. He is unaware that we are proceeding with a plan to release only two if the price does not come down.

~~TOP SECRET~~ EYES ONLY

UNCLASSIFIED

UNCLASSIFIED
~~TOP SECRET~~ EYES ONLY

TOP SECRET

N 7422

The DEA officers are prepared to take leave as soon as they are contacted by [redacted] Travel arrangements and operational costs are currently being financed from funds normally available to the Nicaraguan resistance. Our normal point-of-contact in the resistance for these matters is not yet aware.

Summary. As discussed with ADM Poindexter, it appears that both these plans can proceed simultaneously without undue concern for compromise or mutual jeopardy. Given that arrangements for the DEA operation will take considerable time (contacts inside Lebanon, financial transactions, and rental of yacht/safehouse), [redacted]

RECOMMENDATIONS

1. That you approve proceeding with the plans outlined above.

Approve ____ Disapprove ____

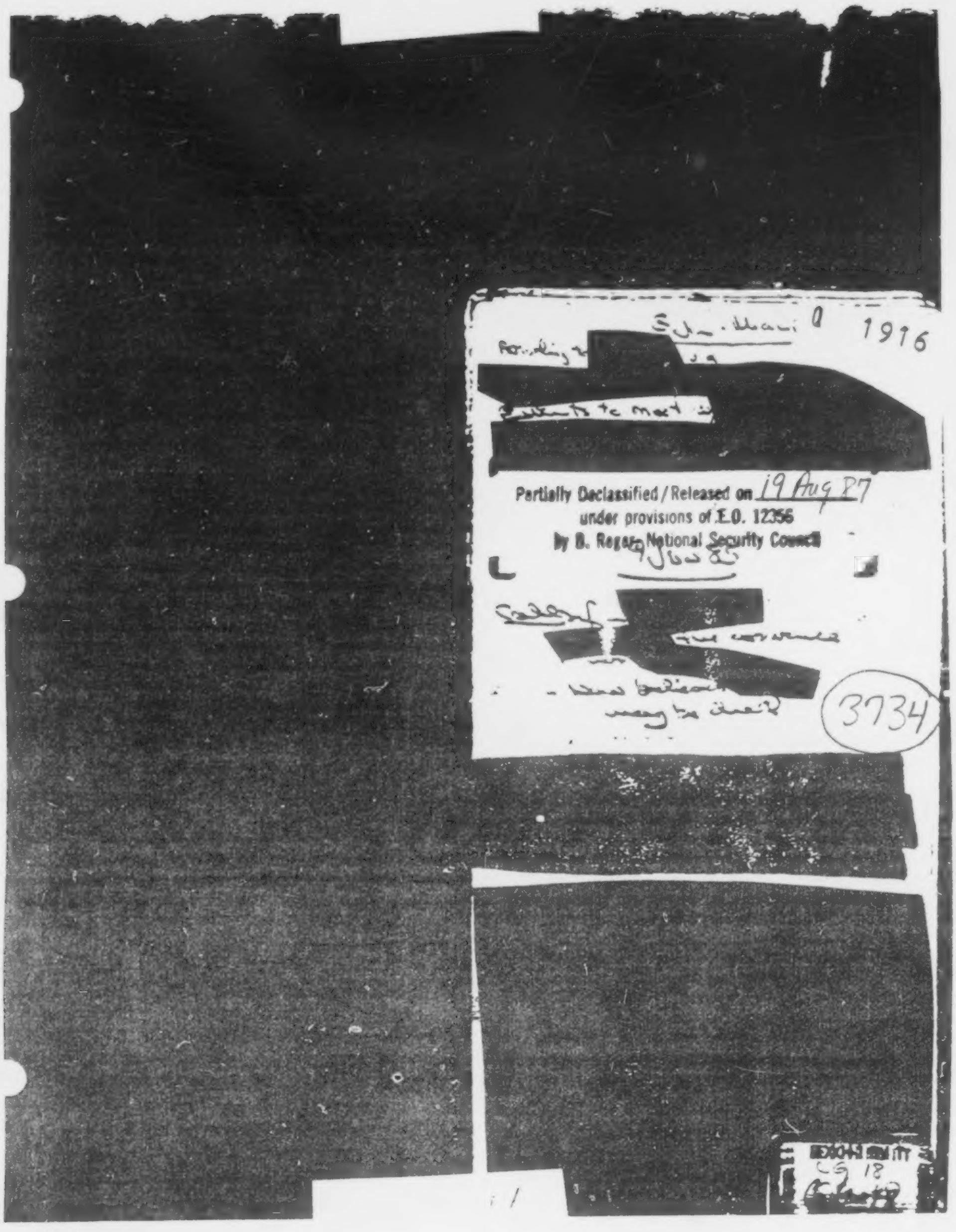
2. That you contact the Attorney General and ask that the two DEA officers [redacted] be placed on temporary detail to the NSC for a period of 30 days.

Approve Done 6/9 RCM Disapprove ____

Both to me in mtg 6/10 w/AG.

Attachments
[redacted]

## EXHIBIT CG–18



[redacted]

1916

[redacted]

to meet [redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

9 Jun 85

[redacted]

[redacted]

3734

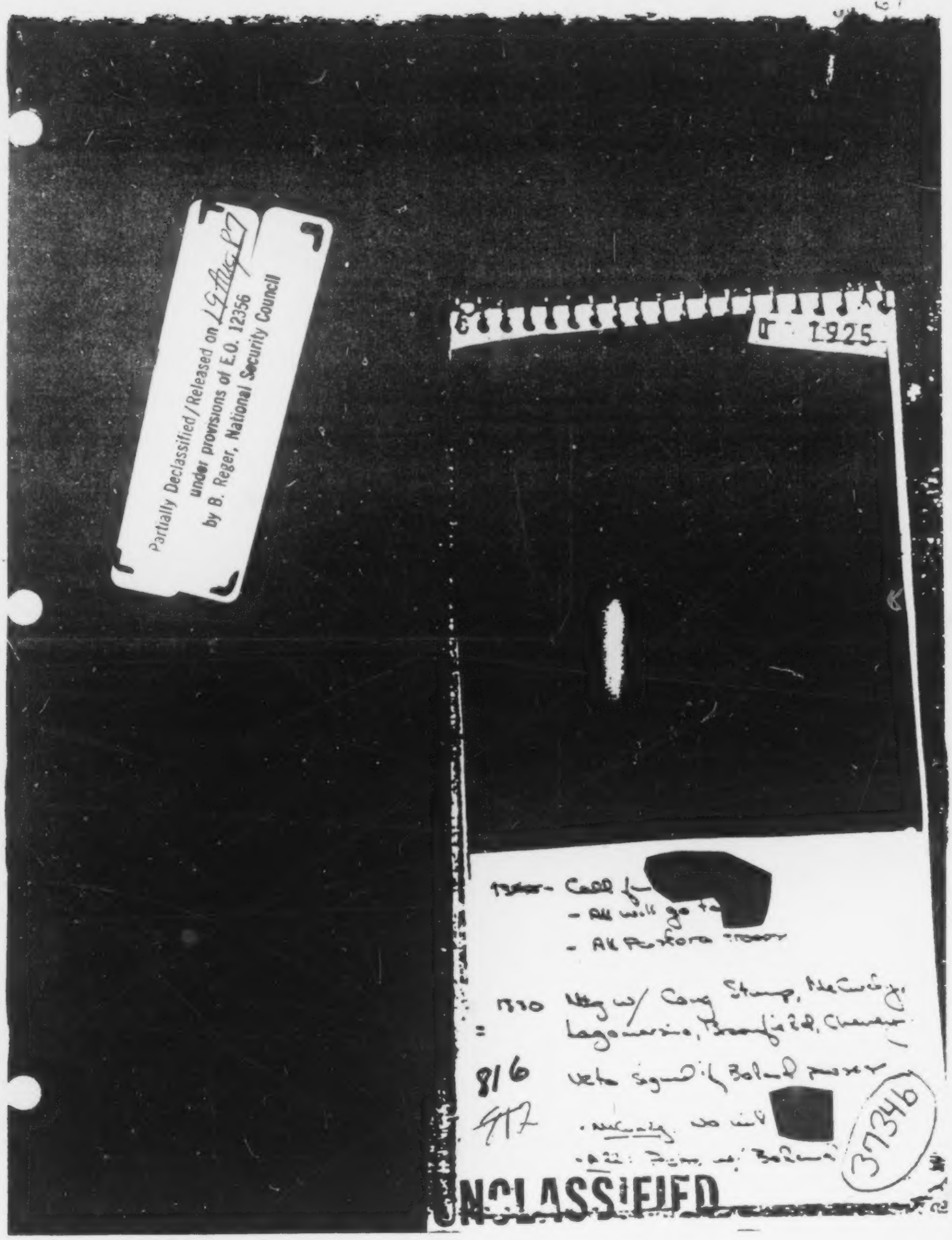
EXHIBIT
CG 18

UNCLASSIFIED

C G Exhibit 18
Pages Q1917 —
Q1924 [8 pages]
denied in their
entireties.

ZH (3734a)

UNCLASSIFIED



Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

1925

1300 - Call fr [redacted]
- All will go to [redacted]
- All [illegible]

1330 Mtg w/ Cong Stump, McCurdy,
= Lagomarsino, Broomfield, Cheney

8/6 Veto signed of Boland [illegible]

8/7 . McCurdy [illegible] will [redacted]
. 0822: [illegible] w/ [illegible]

37346

UNCLASSIFIED

Partially Declassified/Released on 11 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

- [illegible]  Q  1926

1733 Cong Mtg (cont'd)

McCurdy - what has been signed in Contadora

[illegible]: say 2 docs "initialed"

Broomfield. wants Contadora summary.

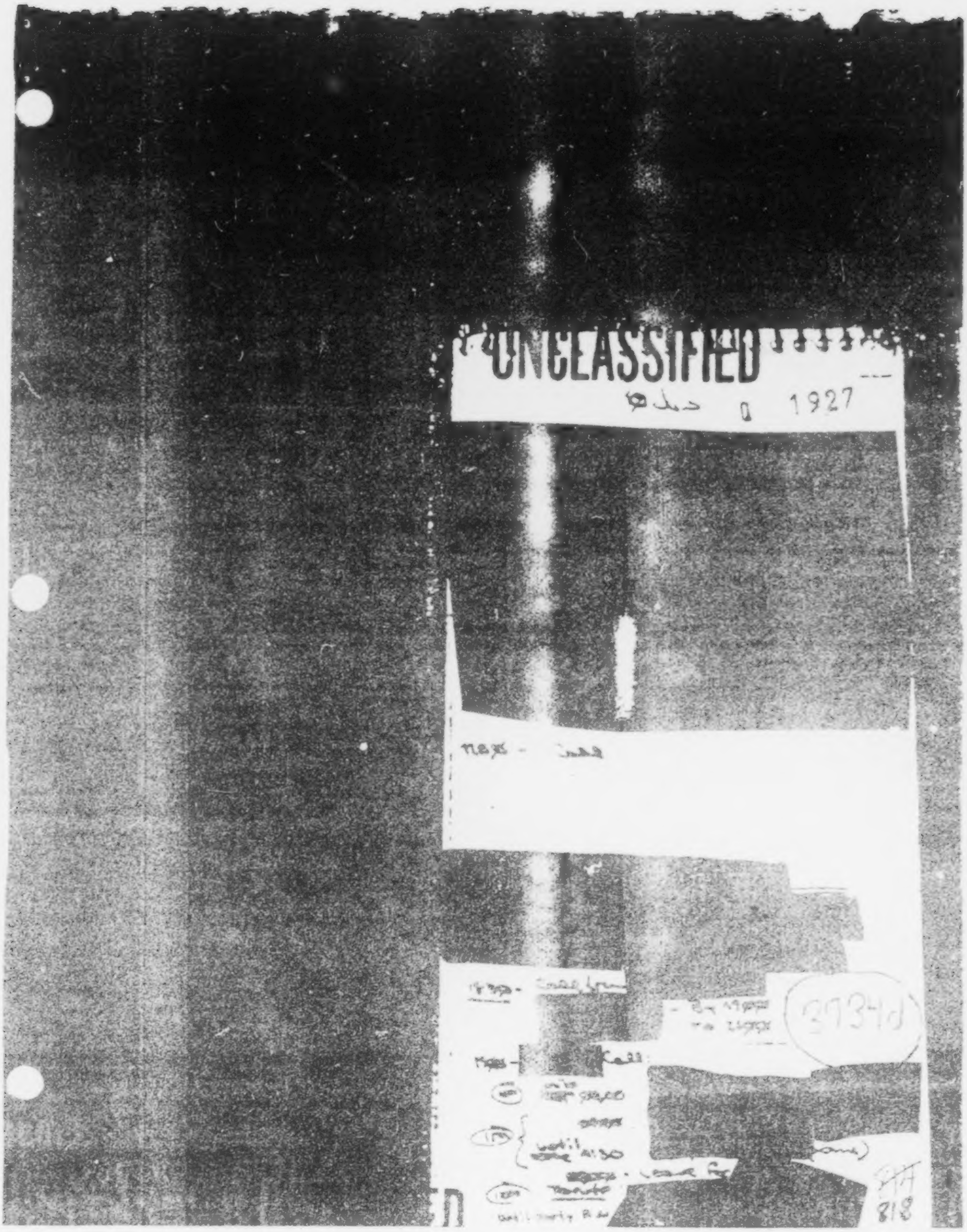
1 [illegible]

[redacted]

Partially Declassified/Released on 11 Aug 87
under provisions of E.O. 12356
B. Reger, National Security Council

(37734c)

617
3



UNCLASSIFIED

[illegible] 1927

[illegible] - [illegible]

[illegible] - [illegible]

3734d

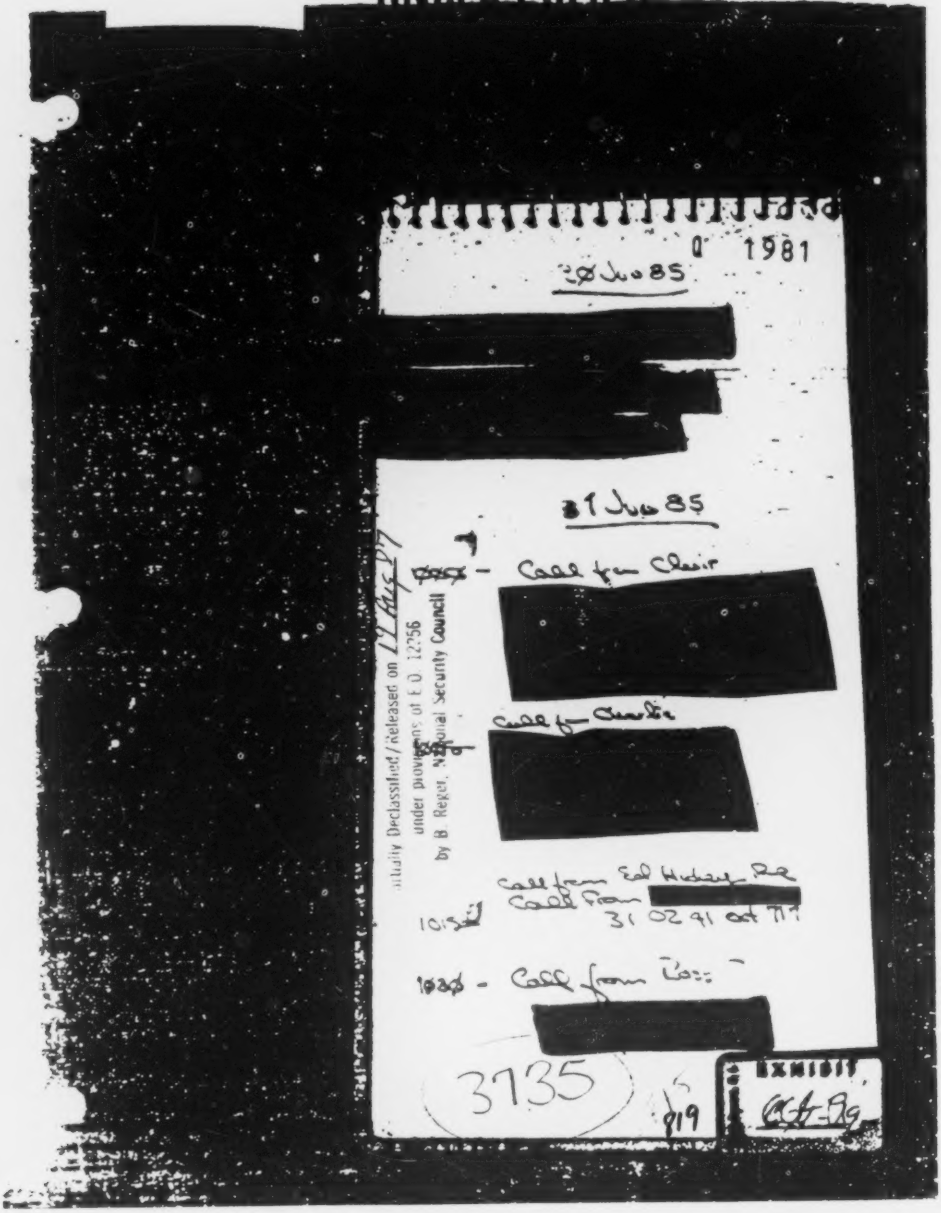
[illegible] - Call

[illegible] - Leave for [illegible]

818

EXHIBIT CG-19

UNCLASSIFIED



0 1981

30 Jul 85

[redacted]

31 Jul 85

[illegible] - Call from Clair

[redacted]

Call from Charlie

[redacted]

Call from Ed Hickey Re
Call from [redacted]
1015 31 02 91 ext 717

1030 - Call from Ross

[redacted]

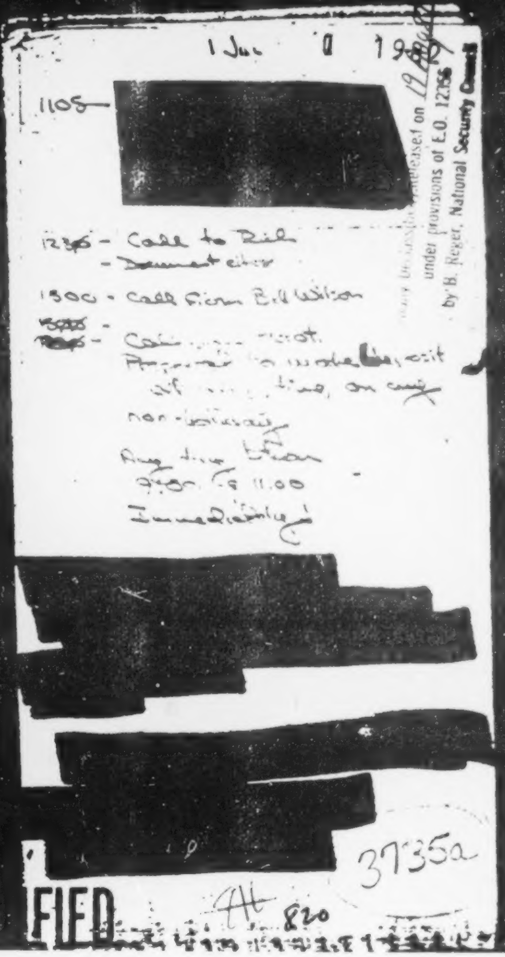
3735

819

EXHIBIT CG-19

Partially Declassified/Released on 12 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED



1 Jul 0 198

[illegible] Declassified/Released on 12 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

1105 — [redacted]

1235 - Call to Rich
- ~~Document~~ [illegible]

1500 - Call from Bill Wilson

~~1530~~ -
~~1545~~ - Call [illegible] [illegible].
Prepared to make the exit
at any time, on any
non-[illegible]

Any time before
[illegible] 11.00

Immediately!

[redacted]

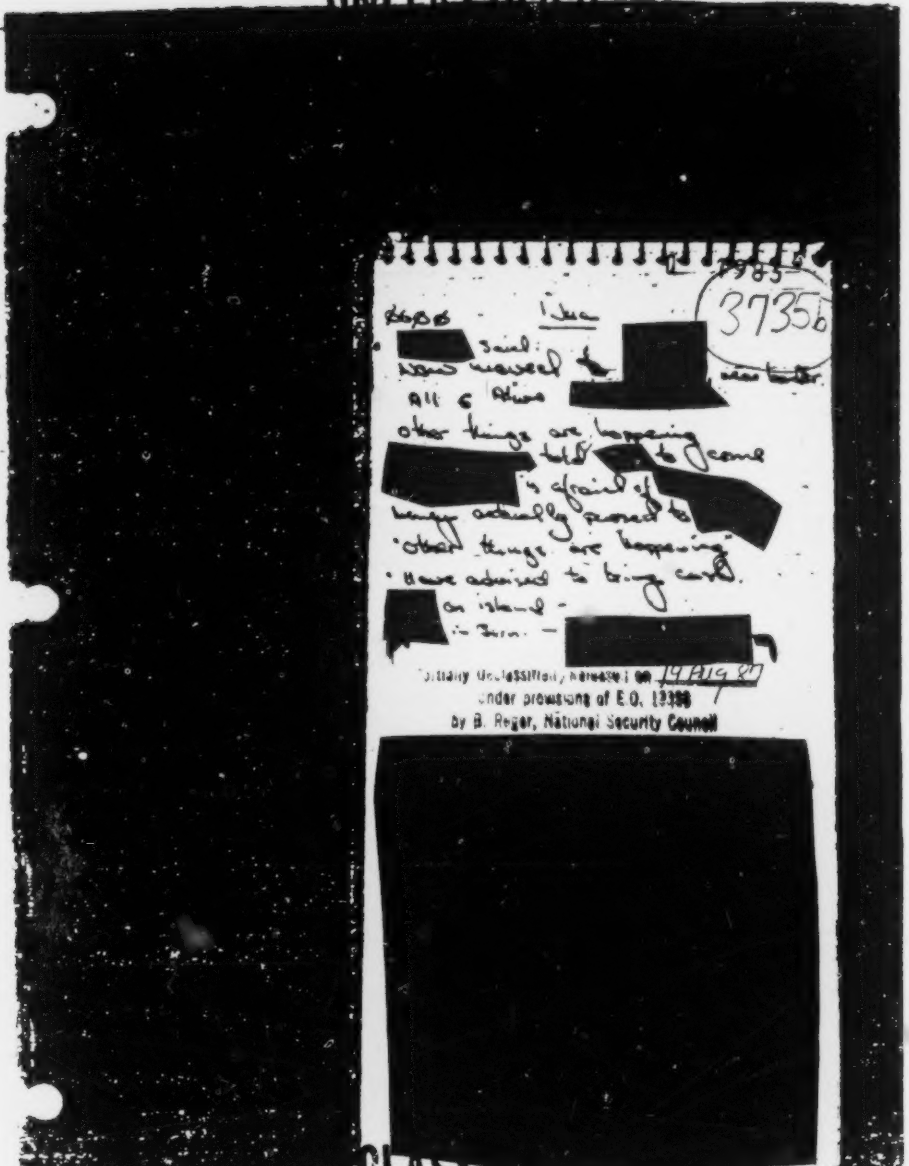
[redacted]

3735a

FIED

820

UNCLASSIFIED



1985

37356

0600 1 Jun

[redacted] said:

Now moved to [redacted] new tanker.

All 6 Alive

other things are happening

[redacted] told [redacted] to come

is afraid of

being actually moved to [redacted]

· "other things are happening"

· Have advised to bring cash.

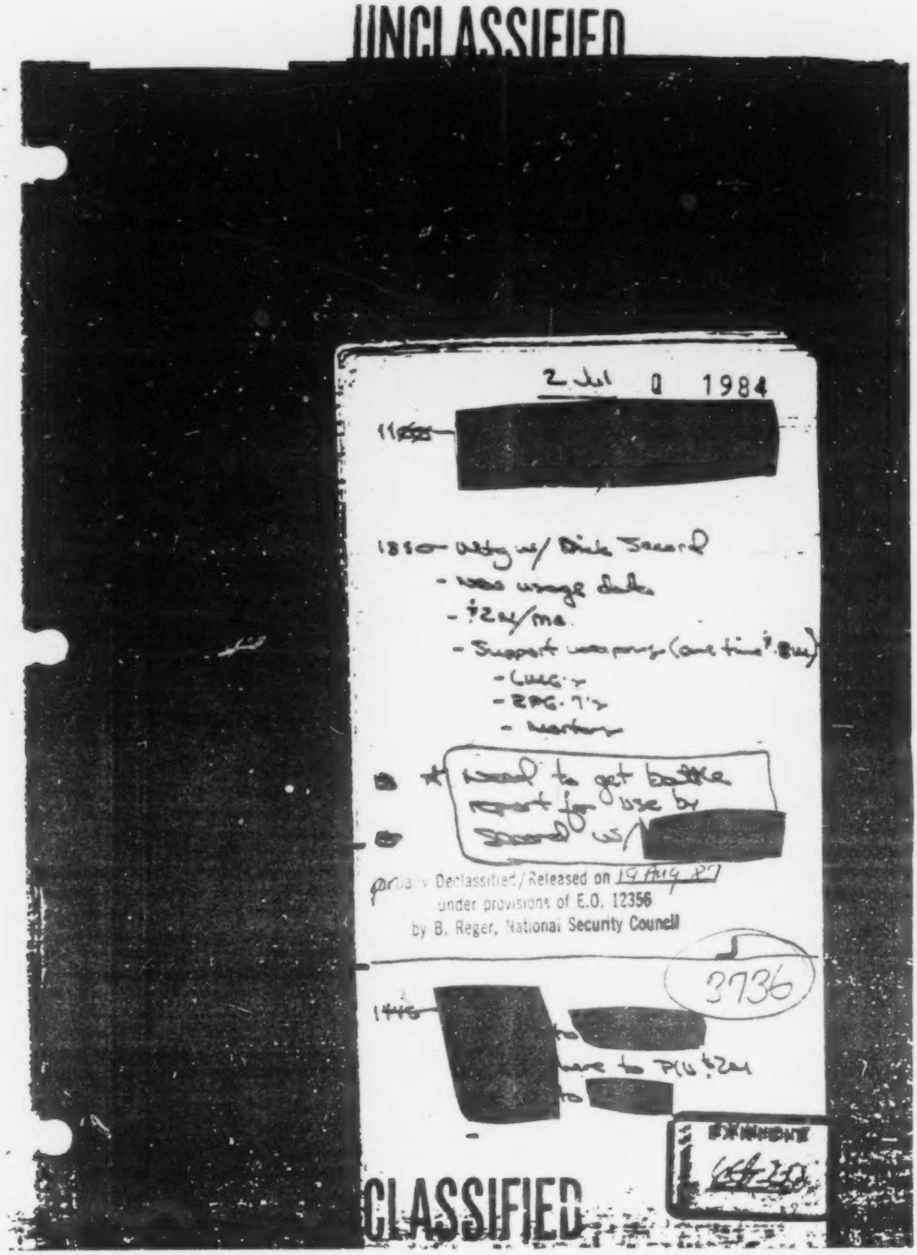
[redacted] on island -

in Iran - [redacted]

Partially Declassified/Released on 14 AUG 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

## Exhibit CG-20



UNCLASSIFIED

2 Jul 0 1984

11— [redacted]

1830 — Mtg w/ Dick Secord
- Need usage data
- $2M/mo.
- Support weapons (one time $.8M)
  - LMG's
  - RPG-7's
  - Mortars

* Need to get battle report for use by Secord w/ [redacted]

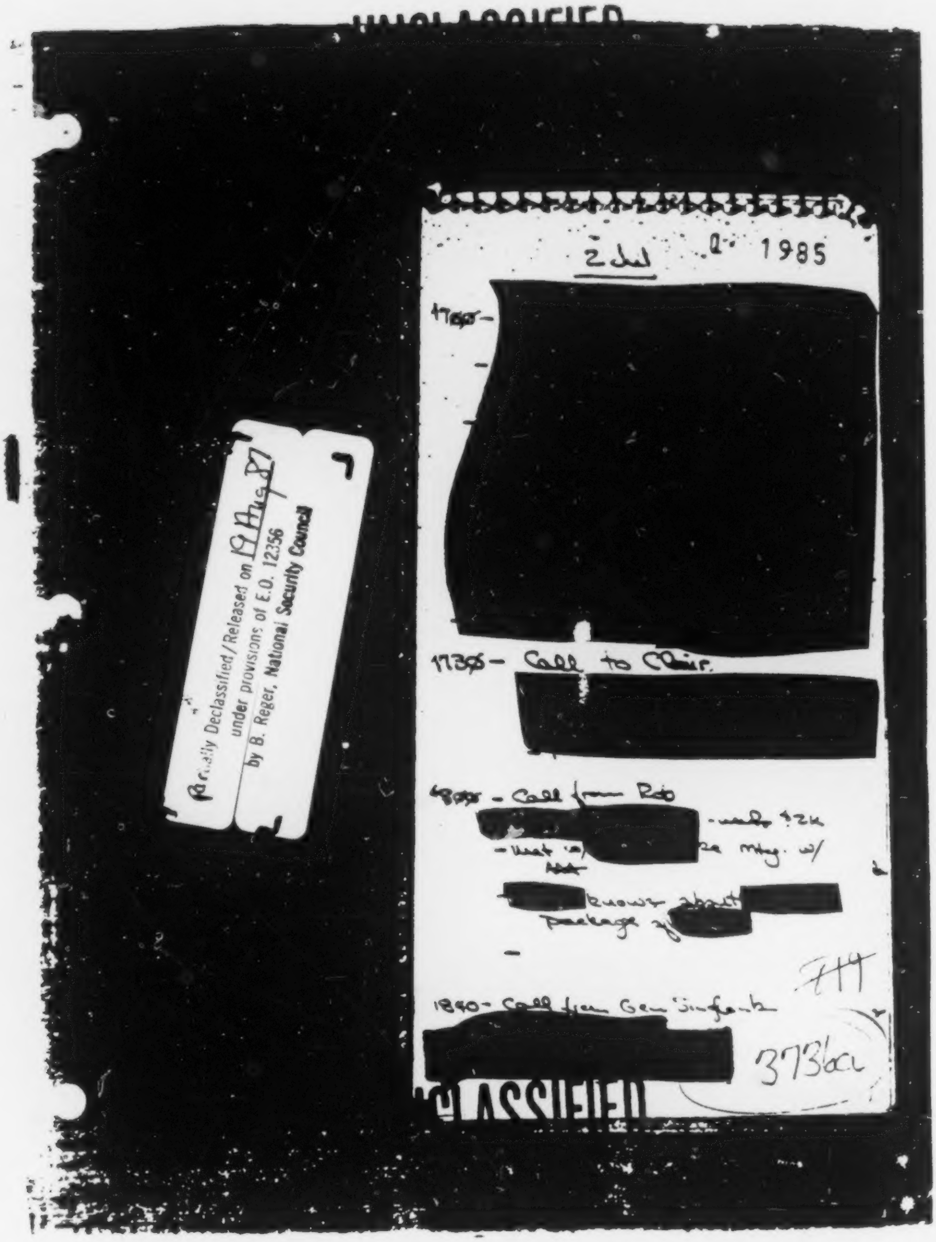
partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3736

1415— [redacted] to [redacted]
move to PLL $2M
to [redacted]

EXHIBIT CG-20

CLASSIFIED



UNCLASSIFIED

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

2 Jul 1985

1700 – [redacted]

1730 – Call to Clair.

[redacted]

1800 – Call from Rob

[redacted] – [illegible] $2K

– that w/ [redacted] re mtg. w/ [illegible]

– [redacted] knows about [redacted] package of [redacted]

–

744

1840 – Call from Gen Singlaub

[redacted]

3736a

UNCLASSIFIED

## EXHIBIT CG-21

UNCLASSIFIED

2542

8 June 1986

MEMORANDUM FOR THE RECORD

SUBJECT: [illegible] Admiral Poindexter on 5 June

The following subjects were discussed at the meeting:

C 3469

Partially Declassified / Released on 11 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
CG-21

4. [redacted] DCI also described efforts [redacted] as well as a [redacted] suggested effort to ransom the hostages from Hizballah. He indicated that this might cost as much as $10M that could be raised privately. Poindexter agreed to talk to the President to see if this kind of an approach could be pursued privately given the Administration's policy on ransom. (S/NF)

5. [redacted]

824

UNCLASSIFIED

3137

Executive Registry
27181
~~CL BY [illegible]~~
DECL OADR

CIIN 1433

~~SECRET NO FOREIGN~~

UNCLASSIFIED

C 3470

14. There was considerable discussion of a deal on the contras that would involve $100M being allocated $20M a quarter for a period of 15 months. There would be a second vote by the Congress, 6 to 9 months into the program on whether it should continue. The focal point for such a deal probably would be McCurdy, as well as a few others. The DCI indicated that such a deal would be all right with him. (C/NF)

RG

Robert M. Gates

CIIN 1433 UNCLASSIFIED

Executive Registry
27190

# EXHIBIT CG-22

3738

UN :D

[redacted]

Haslem F1e

EXHIBIT
CG-22

~~9000~~ DCI
16 June 1985

John Shaheen, [redacted] received a call from a Dr. Cyrus Hashemi who is currently in Hamburg at the Hilton Hotel in Room 703. Hashemi has tried to get in touch with us before offering to put us in touch with leading figures in the Iranian Government. When we learned that Hashemi is under investigation, if not by this time indicted, for violations of export control laws, we pulled away.

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

His recent call to Shaheen offered a change in policy (or information about a change in policy) that he could provide if the American Government would be able to get him a nolle pros -- in short, if we are able to take the pending indictment for conviction off his back. Shaheen said that he had no power to do that but then asked whether his contacts with the Iranian government were good enough to spring the hostages if he could be gotten off the hook. Shaheen did this knowing that a nolle pros had been arranged for high national security considerations but his experience in this goes back to World War II. What he was doing was feeling out Hashemi to see what kind of a reaction he would get. Hashemi said he would call back and in two hours he was back on the phone having, he said, talked to [redacted] He came back asking for the release of the DAWA hostages, plus [redacted] TOW weapons, plus his nolle pros. Shaheen dismissed this saying no weapons, no DAWA prisoners. Then again, to feel him out, said, although I can't speak for the US Government you might be able to get some Italian medical supplies or something like that [redacted] Again Kashemi said he would check and called back within a couple of hours claiming that he had talked again to [redacted] and that they weren't interested in Italian medical supplies but they were willing to have a high ranking representative from

826

REVIEWED FOR RELEASE
DATE 20 May 87

CIIN 3810 UNCLASSIFIED HSCHSC 00 3 1 34
C22 49860

UNCLASSIFIED

159

9007

Tehran [redacted] as early as Wednesday or Thursday of the coming week. He would have an agenda of what they were interested in. [redacted]

Dr. Hashemi claims to be in touch with [redacted] and says he knows about a recent attempt by George Bush's brother, together with a man named Shekeleh (no further identification) to contact the Iranians on this. Shaheen claims that he has made it clear that he can't do it for anything, that the US Government does not deal with terrorists, that if there is a meeting [redacted] nothing at all could be agreed upon in advance, that it would be up to the Iranians to attempt to offer something which [redacted] might be able to work out.

Shackley

This should probably be taken up with the Assistant Secretary of State for International Organizations to see whether he is ready under the circumstances to see if [redacted] would be willing to listen to whatever proposition the Iranians might have in mind bringing [redacted] and to [illegible] whatever surrounding information might be available.

UNCLASSIFIED

DO 49800

827

C11N 3810

REVIEWED FOR RELEASE
DATE 28 May 87
HSCI/SSC

3 [illegible] 1 34

## EXHIBIT CG-23

UNCLASSIFIED

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

for your fi

(FYI - State will handle cont

3 July 1985

[redacted]

EXHIBIT
CG-23

See
b/3

[redacted]

MEMORANDUM FOR THE RECORD

SUBJECT: Further Details from John Shaheen

1. Shaheen phoned me at hom at 8:00 pm on 2 July. He had just spoken to Hashemi, who reports:

a. Iranians want to meet next week, probably at [redacted]

b. [redacted] is in fact a [redacted] He wants to meet [redacted] on the first day to explain the motivations and objectives of his Government (not further explained);

c. The next day a more formal meeting would be held with both Iranians present; the Iranians assume [redacted] would be present.

2. Shaheen told Hashemi that the Iranians better get cracking on the release of the seven (?) American hostages in Lebanon [redacted] Hashemi allegedly said that the Iranian motivation for helping at this time was humanitarian.

3. Hashemi repeated that a U.S. quid pro quo would be necessary from the Iranian perspective (not clear whether this is his formulation or is coming from the Iranians).

4. Hashemi also plans, or hopes, to be present at the first meeting [redacted] He assumes [redacted] and Iranians will have no need for him by the second day.

5. All of the above was relayed to Peter Burleigh at State the morning of 3 July with my suggestion that [redacted] decline to have Hashemi present either day.

[redacted]

DO ~~224~~ 49673

UNCLASSIFIED

CIIN 3809

3739

~~SECRET~~

20 Aug 87

FSC/SSC

3 1 34

828

## EXHIBIT CG-24

UN[redacted]

OUTGOING

C 14.77

85 78[redacted] ASO PAGE 001

TOT: 0[redacted]JUL 85 DIRECTOR 444984

S E C R[redacted]
STAFF-0
TO: IMM

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: POSSIBLE CONTACT WITH IRANIAN GOVERNMENT REPS

1. THROUGH A COMPLEX SERIES OF LEADS WE HAVE BEEN PRESENTED WITH AN ALLEGED OPPORTUNITY TO MEET WITH REPRESENTATIVES OF THE IRANIAN GOVERNMENT. THESE REPRESENTATIVES PURPORTEDLY ARE CAPABLE OF SECURING THE RELEASE OF THE SEVEN HOSTAGES. WHILE WE ARE SKEPTICAL THAT THIS IS A BONA FIDE INITIATIVE WE MUST FOLLOW-UP UNTIL WE ARE MORE CONFIDENT ABOUT WHAT WE ARE DEALING WITH.

2. THE ALLEGED REPRESENTATIVES ARE [redacted] AND A MANOUCHEHR ((LNU)), A RANKING IRANIAN INTELLIGENCE OFFICER. AN INTERMEDIARY HAS ADVISED US THAT WE CAN CONFIRM THE FULL IDENTITY OF THE LATTER [redacted]

3. [redacted]

4. FYIO: HQS SUSPECTS MANOUCHEHR [redacted] IDENTICAL WITH [redacted] WE NOTE [redacted] IS RESIDENT IN EUROPE. WE ALSO NOTE THAT ALL OUR INFORMATION [redacted] STEMS FROM [redacted] REPORTING. AS YOU KNOW, WE BEL[redacted] TO BE A FABRICATOR AND HAVE CIRCULATED A BURN NOTICE ON HIM (DIRECTOR 023056).

5. PLEASE ADVISE. GREATLY APPRECIATE ASSISTANCE.

6. FILE: [redacted] DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: [redacted] : AUTH [redacted] : COORD [redacted] (): REL: [redacted] CL BY [redacted]

END OF MESSAGE SECRET

EXHIBIT
CG-24

DO 3U$156

03 01/30

REVIEWED FOR RELEASE
Date 27 March 87

829

3740

CIIN 1034

UNCLASSIFIED [redacted]

825

[redacted]

9 Jul 85

UNCLASSIFIED

153

9003

9 July 1985

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

MEMORANDUM FOR THE RECORD

SUBJECT: New Developments on the Shaheen-Hashemi Indirect Channel to Iran

1. John Shaheen phoned late on 8 July with the two Iranian names who are willing to meet [redacted] They are:

a. [redacted]

and

b. Manouchehr (lnu), a ranking Intel Officer.

[redacted] Shaheen said that we can confirm the full identity of Manouchehr [redacted] Hashemi claims that Manouchehr was helpful in the release of the TWA 39 hostages [redacted]. (We know of no basis for this claim).

2. Hashemi claims that the Iranians are more interested in a change of course than in any other quid pro quo. When asked to clarify whether that meant a US change of policy or an Iranian change, Shaheen said he thought it meant both; i.e., a change in the course of US-Iranian relations. Hashemi claims that Syria will not be involved in the release of the seven remaining hostages because Hizballah deals directly with Iran.

3. Shaheen said, "We are not dealing with children; Hashemi now insists that it be made clear to the US Government that as soon as the seven hostages are sprung, he will get his nolle prosequi." Hashemi asked for confirmation from Shaheen which government agency was involved. Shaheen told him on the international phone lines that it was the Bureau of Fisheries. Hashemi replied that whether it was Weinberger, Schultz, Casey, or the Bureau of Fisheries, his lawyer, Elliot Richardson, needs at this time to confirm that the US Government acknowledges Hashemi's helpful role if the seven hostages are released. (I later phoned Shaheen back at his insistence to repeat the previous talking point from State.) "Our willingness to hav[redacted] meet with a confidential representative of Iran as an initial step does not mean any willingness on the US Government's part, including the Department of Justice, to take

(3r 14Da)

UNCLASSIFIED

SECRET

49876

CIIN 3808

REVIEWED FOR RELEASE
DATE 20 May 87

3

830 34

UNCLASSIFIED 0 9004

any judicial step concerning Mr. Hashemi. The possibility of any such step could only be addressed, if at all, after the US Government has learned from the [redacted] first meeting. Shaheen said he did not think that would be enough for Hashemi. He will phone back on 9 July (possibly to the DCI) to urge that someone in the US Government confirm to Elliot Richardson that this is a legitimate US Government channel that Hashemi is assisting.

4. All of the above has been passed to Peter Burleigh at State. The next step is for State to confirm wi[redacted] that they are ready to meet with the two Iranians within the next week. I will then phone that back to Shaheen and the Iranians will advise through Hashemi their time of arrival [redacted]

[redacted]

Partially Declassified / Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 49875

3 1 34

831

C11N 3809 UNCLASSIFIED

REVIEWED FOR RELEASE
DATE 20 May 87
TZ19 HSC/SSC

EXHIBIT CG-25

UNCLASSIFIED CG25

[redacted]

~~SECRET~~

7/11
11 July 85

Arnie--

Update on the Hashemi escapade. As of last night, DC/NE(CIA) [redacted] was still negative about the two names offered -- [redacted] [redacted] and Manachehr (intell officer). [redacted]

It turns out [redacted] that he was a fabricator. According to [redacted] our only knowledge of [redacted] in the biographic files is through reporting from Manachehr who claimed, among other things, that [redacted] "was the individual responsible for the kidnapping of William Buckley". In other words, CIA has been around this same issue [redacted] earlier and had come to the conclusion that he was not reliable. DC/NE(CIA) [redacted] inclination, thus, was to recommend to Casey that the Hashemi connection be dropped. He said they would do nothing, however, pending further word [redacted] This issue may come up at the 3:00 pm meeting with C/NE (CIA) [redacted]

Our Manachehr, the one Steve Grummon resurrected from his files, is another one apparently (see attached TD, part 2D).

If they do want to kill the initiative, it would be worth asking if they are sure that their Manachehr is the one in question, i.e., it's a fairly common name and how do they know its the one who was the fabricator? We have not been able to identify [redacted] variously described as [redacted] or [redacted]

Partially Declassified/Released on 17 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 27 March 87
HSC & SSC

832

CIIN 1033

~~SECRET~~

3741 Peter

UNCLASSIFIED

N 9158

## EXHIBIT CG-26

UNCLASSIFIED ~~SECRET~~ 0082

MEMORANDUM FOR THE RECORD

SUBJECT: Message for John Shaheen to Pass to Hashemi re: [redacted] Contact with Two Iranians

1. I phoned Shaheen at 1800 hours on 12 July to give him the State Department approved plan. I gave it to him in two phases. The first was for his information only, that we have confirmed [redacted] is an important figure [redacted] The second name we were given by Hashemi has been confirmed to us to be a fabricator and unreliable. In fact we have had a previous bad experience with him on the hostage issue. I told Shaheen not to provide this information to Hashemi.

2. Hashemi is to be given the following [redacted] will be prepared to meet at a time of the Iranian's convenience [redacted] with [redacted] He may bring MANOUCHEHR with him if he wishes. [redacted] will not repeat not meet with MANOUCHEHR alone. Shaheen replied that he got the point; it made sense to him; and he would send it promptly to Hashemi, who is probably in Geneva.

3. Shaheen departs for Tokyo at 1100 hours on 13 July and will be at the Tokyo Imperial Hotel for about a week after Sunday noon. I have his phone number.

4. The above plan was proposed by us to DAS Arnie Raphel and approved by Mike Armacost on Friday afternoon. They will send another interim cable [redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
[illegible]

3742 - DO 49877

~~SECRET~~

3 1 34

CIIN 3807

UNCLASSIFIED

RELEASE 20 May 87

755C

833

129

~~SECRET~~ UNCLASSIFIED [redacted]

INCOMING

[redacted]

C 1475

85 78[redacted] ASO PAGE 001 IN 7836602
TOR: 1[redacted]JUL 85 [redacted]

S E C [redacted] 12 [redacted] STAFF

CITE [redacted]

TO: IMMEDI[redacted]ECTOR INF [redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: POSSIBLE CONTACT WITH IRANIAN GOVERNMENT REPS

DO 305159

REFS: A. [redacted]
B. DIRECTOR 444984

03 01/30

1. ON 12 JULY, [redacted] MET WITH [redacted] AND INFORMED HIM AS FOLLOWS: WE HAVE BEEN PRESENTED WITH A[redacted]ORTUNITY TO MEET WITH REPRESENTATIVES OF THE GOVERNMENT OF IRAN. THESE REPRESENTATIVES SAY THEY ARE IN A POSITION TO OBTAIN THE LIBERATION OF THE SEVEN AMERICAN HOSTAGES. THOUGH WE ARE SKEPTICAL WE FEEL WE MUST FOLLOW UP. THE REPRESENTATIVES ARE [redacted] AND A CERTAIN MANOUCHER, SUPPOSEDLY A HIGH-RANKING IRANIAN INTELLIGENCE OFFICER. AN INTERMEDIARY HAS INFORMED US THAT WE CAN CONFIRM THE IDENTITY OF MANOUCHER [redacted]

[redacted]

2. [redacted]

[redacted]

[redacted]

REVIEWED FOR RELEASE
Date 25 March 87
HPSC & SSC

830

5. FILE [redacted] DECL OADR DRV HUM 4-82. ALL SECRET.

[redacted]

UNCLASSIFIED ~~SECRET~~ [redacted]

3'1142a, 2 Jul 85

## EXHIBIT CG–27

UNCLASSIFIED

149

15 July 1985

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
CG-27

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Tries to Play Hard Ball

1. At 0930 on Saturday, 13 July, Mr. Shaheen phoned my home to say that Hashemi accepts our proposal that [redacted] must be present at the first meeting [redacted] Hashemi, however, added the condition that nothing further would be done to set up this first meeting until someone in the USG talked to his lawyer, Elliot Richardson. [redacted]

2. I repeated our previous position, that no consideration would be given to discussing Hashemi's legal problem until after the first meeting took place. Therefore, we consider further progress in this channel at an end until Hashemi withdraws his requirement that someone must speak to Richardson.

[redacted] 3. Shaheen agreed that this tactic made sense to him in view of the derogatory information we had on the other Iranian, MANUCHEHR. Shaheen was also at pains to say that he was anxious to be helpful to the DCI and was not in any sense a close friend of Hashemi. We agreed that in both the intelligence and oil businesses, not all deals pan out, and I gave him some profuse thanks for his efforts in this case.

4. The above was relayed to Peter Burleigh of State on Saturday, 13 July, and State forwarded a status report [redacted]
[redacted]

DO 4988

1 34

835

3743

C11N 3803

[redacted]

25 May 87

UNCLASSIFIED

EXHIBIT CG-28

UNCLASSIFIED

DDI/O 85-1193

143

16 July 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Lawyer Contacts CIA

1. At 12:30 on 16 July, a phone call was received for [redacted] the undersigned used with John Shaheen. Assuming that it was Mr. Shaheen, I took the call; the caller said he was Mr. Elliot Richardson speaking from London. Mr. Richardson said he has been representing Mr. Hashemi, and he understands that some consideration is being given to a discussion between the USG and Mr. Richardson. I told him that Mr. Hashemi had claimed through a third party that he could set up a meeting that was of interest to the USG. After that meeting took place, consideration could be given to whether or not to have a meeting with Mr. Richardson. Mr. Hashemi tried to change the rules; there is no interest in a discussion with Mr. Richardson; at this time, the ball is in Mr. Hashemi's court.

2. Mr. Richardson seemed a little confused and said he believed he was misinformed. He asked if specific consideration had been given to a discussion with him. I said yes, and there is no interest in such discussion at this time.

3. I can only surmise that Mr. John Shaheen has passed [redacted] [redacted] phone number to Mr. Hashemi or directly to Mr. Richardson. As Mr. Shaheen is in Tokyo for the next eight days, I do not plan to ask him.

[redacted]

Partially Declassified/Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 49894

3 1 34

EXHIBI
CG28

836

3744

CIIN 3798

UNCLASSIFIED

REVIEWED FOR RELEASE
DATE 20 May 87
HSC+SSC

DCI EXEC REG

633

## EXHIBIT CG-29

UNCLASSIFIED [redacted]

194

23 July 1985 9372

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Claims He will Set Up Meeting [redacted] After All

1. John Shaheen phoned me from Tokyo late Saturday evening, 20 July to say that Hashemi has been in touch, obviously via international phone. Shaheen said since we will not meet with the Hashemi lawyer, Elliot Richardson, as Hashemi demanded, Hashemi has decided to proceed anyway with setting up the meeting [redacted] When I expressed surprise, Shaheen said it is the only shot that Hashemi has to get his nolle prosequi.

2. The next step is for Hashemi to advise the date of the meeting [redacted]

3. Shaheen again apologized for the mistake of his secretary in giving Mr. Elliot Richardson my office telephone number. He said it happened because she was not witting of my interest, and he was out of touch in rural Japan.

4. Arnie Raphel at State has been notified of the above.

[redacted]

EXHIBIT
CG-29

Partially Declassified / Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

DO 49697

3 1 34

3745

CJIN 3799

UNCLASSIFIED

REVIEWED FOR RELEASE
DATE 21 May 87
ABC#55C

~~835~~
837

EXHIBIT CG–30

Document

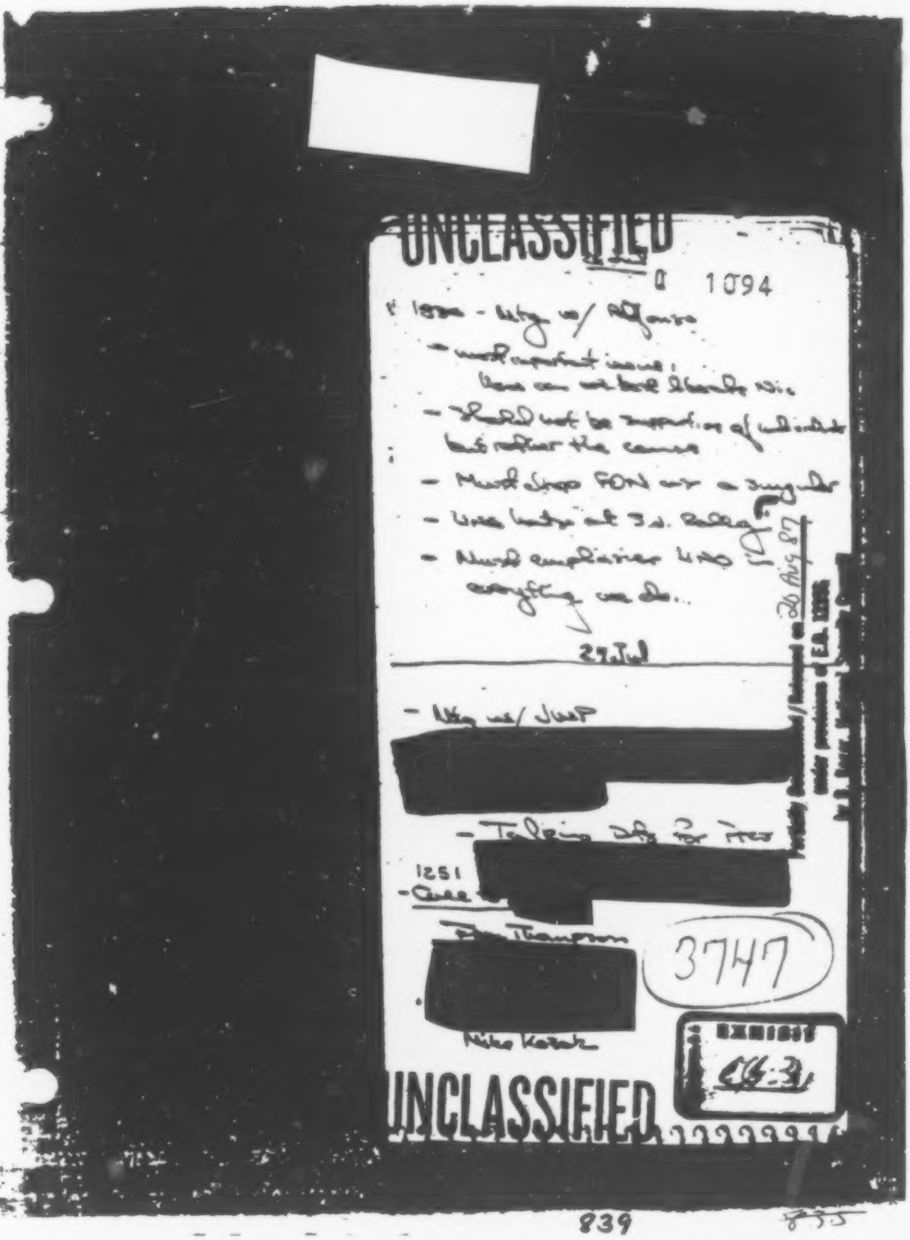
Exhibit CG-30

Deleted in its

Entirety (3746)

838

## EXHIBIT CG–31



UNCLASSIFIED

0 1094

1330 - Mtg w/ Alfonso

- most important issue;
  [illegible]
- Should not be [illegible] of individuals but rather the cause
- Must stop FDN as a [illegible]
- [illegible] at [illegible] Rally
- Must emphasize [illegible] everything we do..

27 Jul

- Mtg w/ JMP

[redacted]

- Talking pts for Pres

[redacted]

1251
- Call

P. Thompson

[redacted]

Mike Kozak

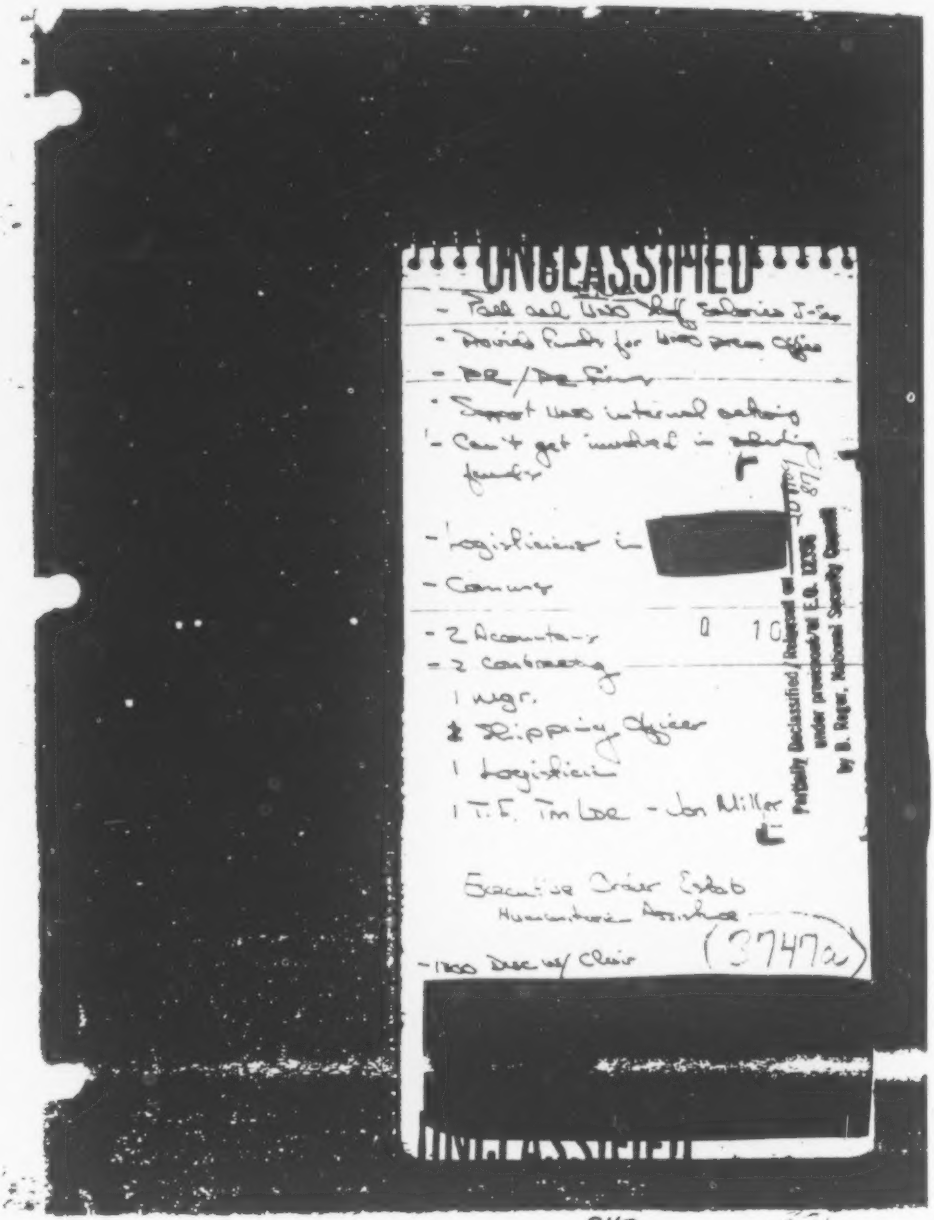
3747

EXHIBIT CG-31

UNCLASSIFIED

Partially Declassified/Released on 26 Aug 87 under provisions of E.O. 12356 by [illegible]

839



UNCLASSIFIED

- Paid all UNO Staff Salaries J-Sep
- Provide funds for UNO press Office
- PR / PR firm
- Support UNO internal actions
- Can't get involved in ~~[illegible]~~ funds

- Logisticians in [redacted]
- Convoys

Q 10

- 2 Accountants
- 2 Contracting
  1 Mgr.
  1 Shipping Officer
  1 Logistician
  1 T.F. Tm Ldr - Jon Miller

Executive Order Estab
Humanitarian Assistance

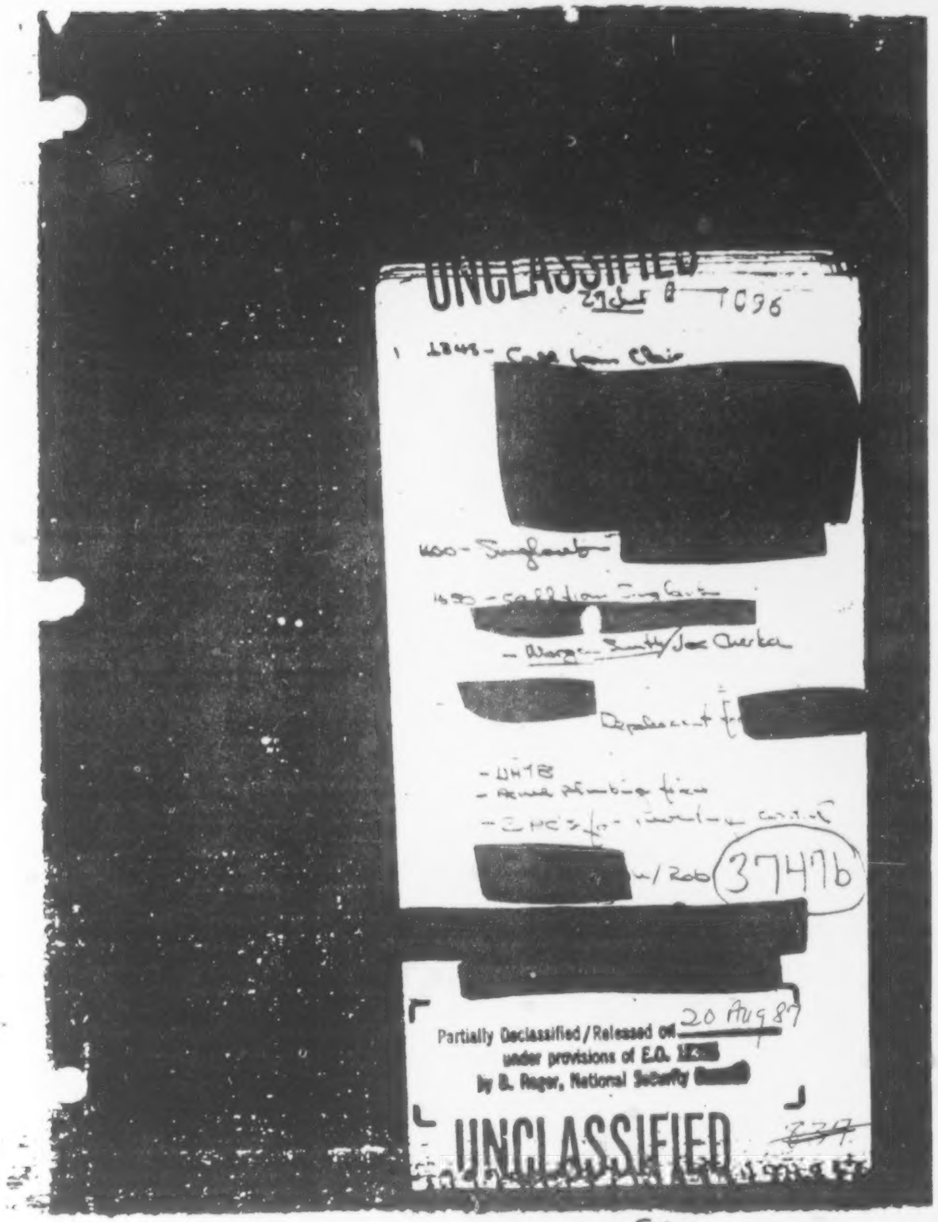
(3747a)

- 1700 Disc w/ Chair

Partially Declassified / Released on 10 Jan 88
under provisions of E.O. 12356
by B. Reger, National Security Council

[redacted]

UNCLASSIFIED



UNCLASSIFIED

27 Jul 8 — TC96

1 1845 - Call from Clair

[redacted]

1600 - Singlaub [redacted]

1630 - call from Singlaub

[redacted]

- [illegible] Smith/Joe Clarke

- [redacted] Deployment for [redacted]

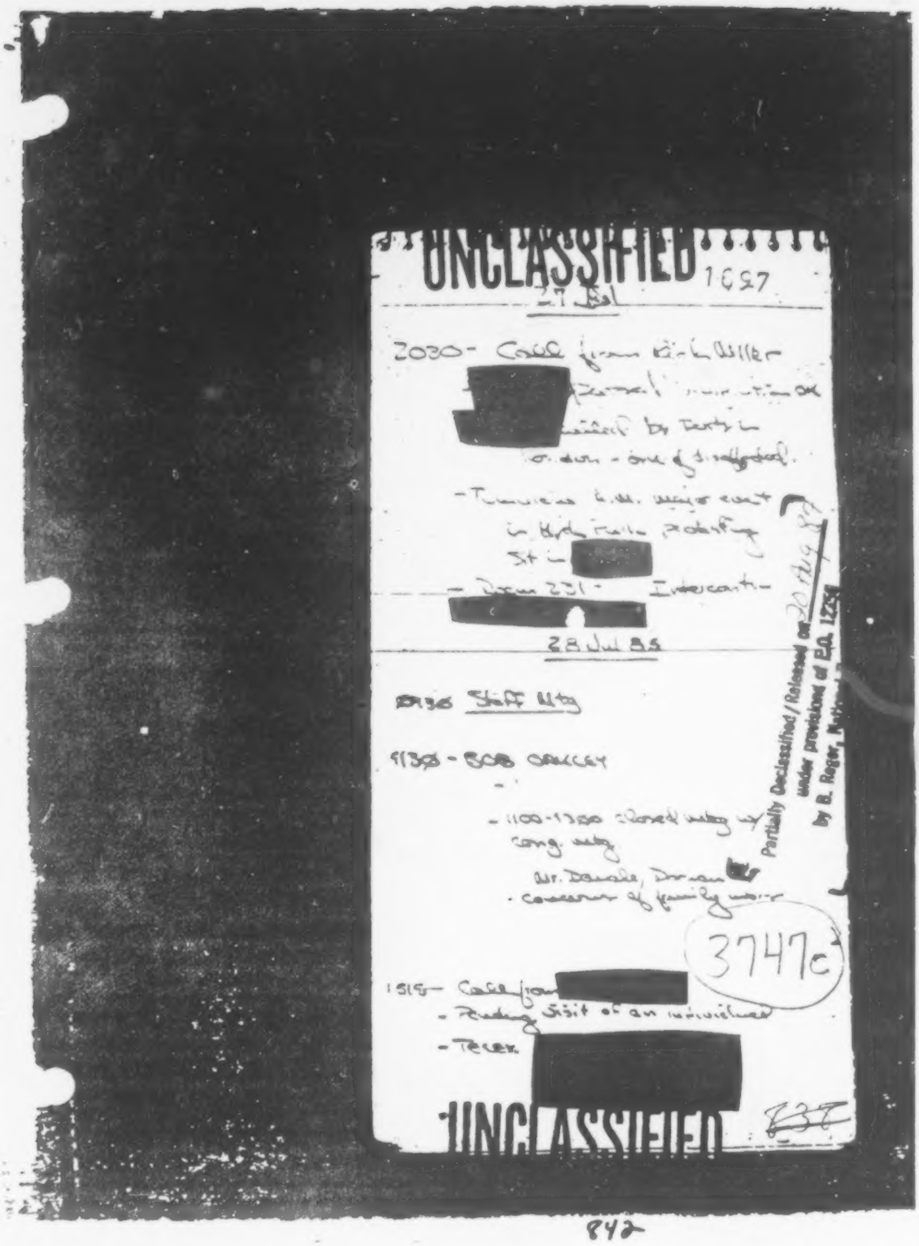
- UH1B
- Aerial plumbing fix
- 2 PC's for [illegible] control

[redacted] w/ 200 37476

[redacted]

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. [redacted]
by B. Reger, National Security [redacted]

UNCLASSIFIED ~~227~~



UNCLASSIFIED 1097

27 Jul

2030 - Call from Rich Miller
[redacted] personal [illegible] on
[illegible] by Terts in
London - one of [illegible].
- Tomorrow's [illegible] major event
in Hyde Park protesting
Sit in [redacted]
- Dorm 231 - Intercont -
[redacted]

28 Jul 85

0930 Staff Mtg

0930 - BOB OAKLEY
-
- 1100-1300 Closed mtg w/
Cong. mtg
Mr. [illegible], Duncan [redacted]
- concerns of family mem[illegible]

3747c

1515 - Call from [redacted]
- Pending visit of an individual
- Telex [redacted]

UNCLASSIFIED ~~837~~

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National

842

1

## EXHIBIT CG-32

UNCLASSIFIED

142
DD/O 85-1352

19 August 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Status of Hashemi-Elliot Richardson Contact

1. Elliot Richardson phoned the DCI on 14 August to find out if the illusive [redacted] (the undersigned) worked for the DCI and to see if a meeting could be arranged to find out the Agency's intentions toward his client, Mr. Hashemi. At the DCI's instruction, I telephoned Mr. Richardson back to repeat the status of our relationship with Mr. Hashemi.

2. Mr. Richardson was informed that the ball remains in Mr. Hashemi's court, as it was the last time we talked on 16 July. Mr. Richardson said that he understood that Hashemi had dropped his condition, i.e., that Hashemi would do nothing until the US Government spoke to his lawyer.

Partially Declassified/Released on 20 Jul 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3. Mr. Richardson said that he was anxious to know if his client would be treated fairly, commensurate with the effort he was making on our behalf. I had him hold on the phone while I found the correct language in our file, then read him the language we received from State and Justice: "the possibility of any judicial consideration for Mr. Hashemi can only be addressed after the US Government has learned what the results of the first meeting in Europe is which Mr. Hashemi allegedly is setting up." Mr. Richardson tried to ask what "consideration" meant and to elicit further our thinking on the nolle prosequi. I repeated only that there was nothing further we could say until a meeting takes place. The ball has been in his client's court for some weeks and that frankly his client does not have a good track record in these matters. I also noted that Mr. Hashemi has an established channel through a third party when he wishes to reach us. Richardson replied that he had attempted to reach that third party (Mr. Shaheen) but was unsuccessful.

EXHIBIT
C.G-32

3. Two problems occur:

a. I am no longer sure that Mr. Shaheen will be available as an intermediary in the event that Mr. Hashemi talks to us again. Perhaps the DCI has more information on Mr. Shaheen.

DO 49900

3 1 34

DCI EXEC REG

843

~~SECRET~~

REVIEWED FOR RELEASE
DATE 20 May 87 KTZ / SSC

C-377

CIIN 3802 3748

UNCLASSIFIED

UNCLASSIFIED

145

9076

b. CIA OFFICER [redacted]

[redacted] Has he been introduced? When he is, presumably he would take over the Richardson connection as well.

[redacted]

C I A

DO 49899

3 1 34

844 CIIN 3802 UNCLASSIFIED

~~EHC~~

CLEARED FOR RELEASE
DATE 20 May 87
HSC/SSC

**EXHIBIT CG-33**

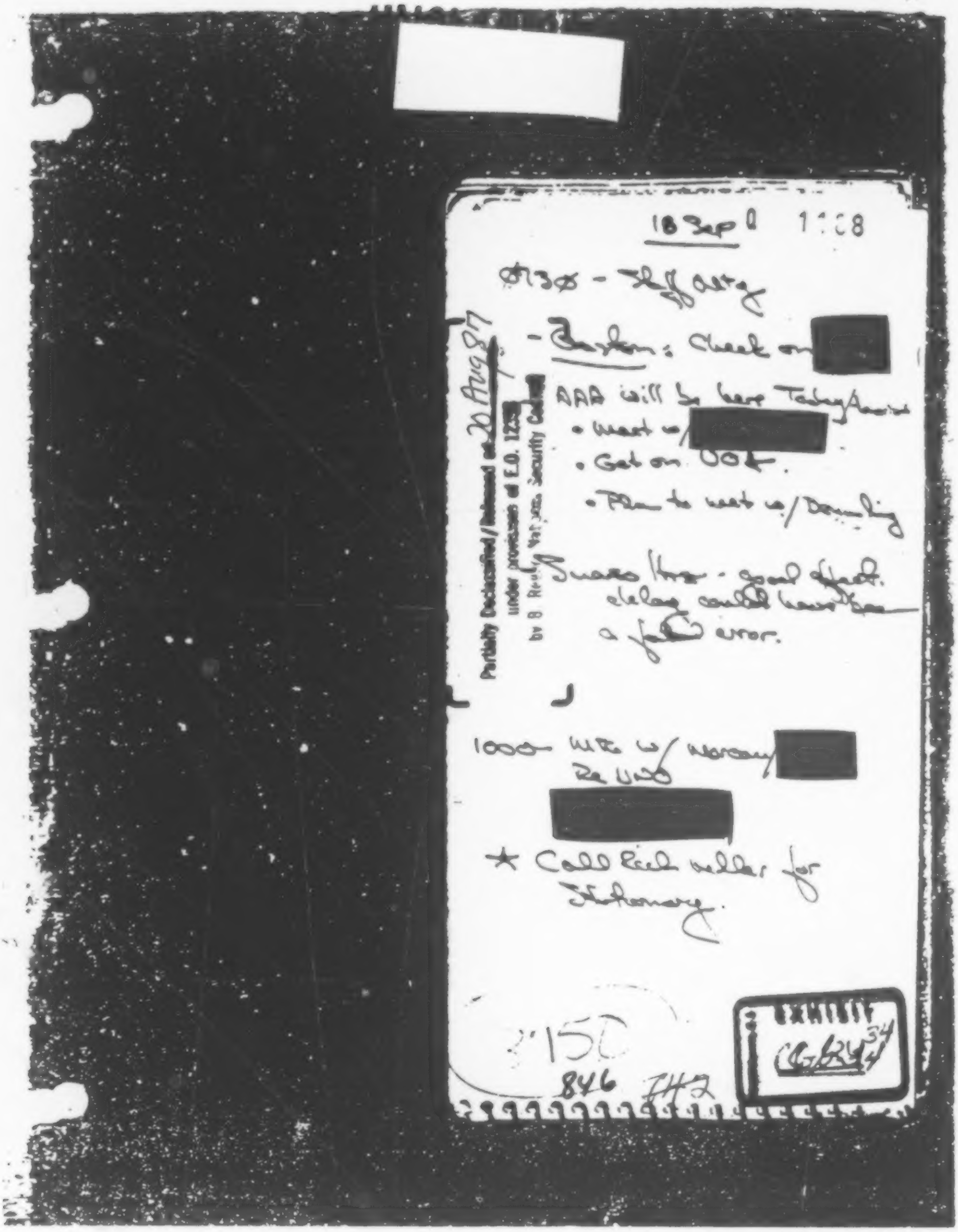
Document

Exhibit CG-33
(1 page)

Deleted in its
Entirety

3749

## EXHIBIT CG-34



18 Sep 1108

0730 - Staff Mtg

- Clayton: Check on [redacted]

AAA will be here Today/Tomorrow
- Meet w/ [redacted]
- Get on OOK.
- Plan to meet w/ Downing

Suazo Hrs - good effort. delay could have been a fatal error.

1000 - Mtg w/ Moreau/[redacted]
Re UNO

[redacted]

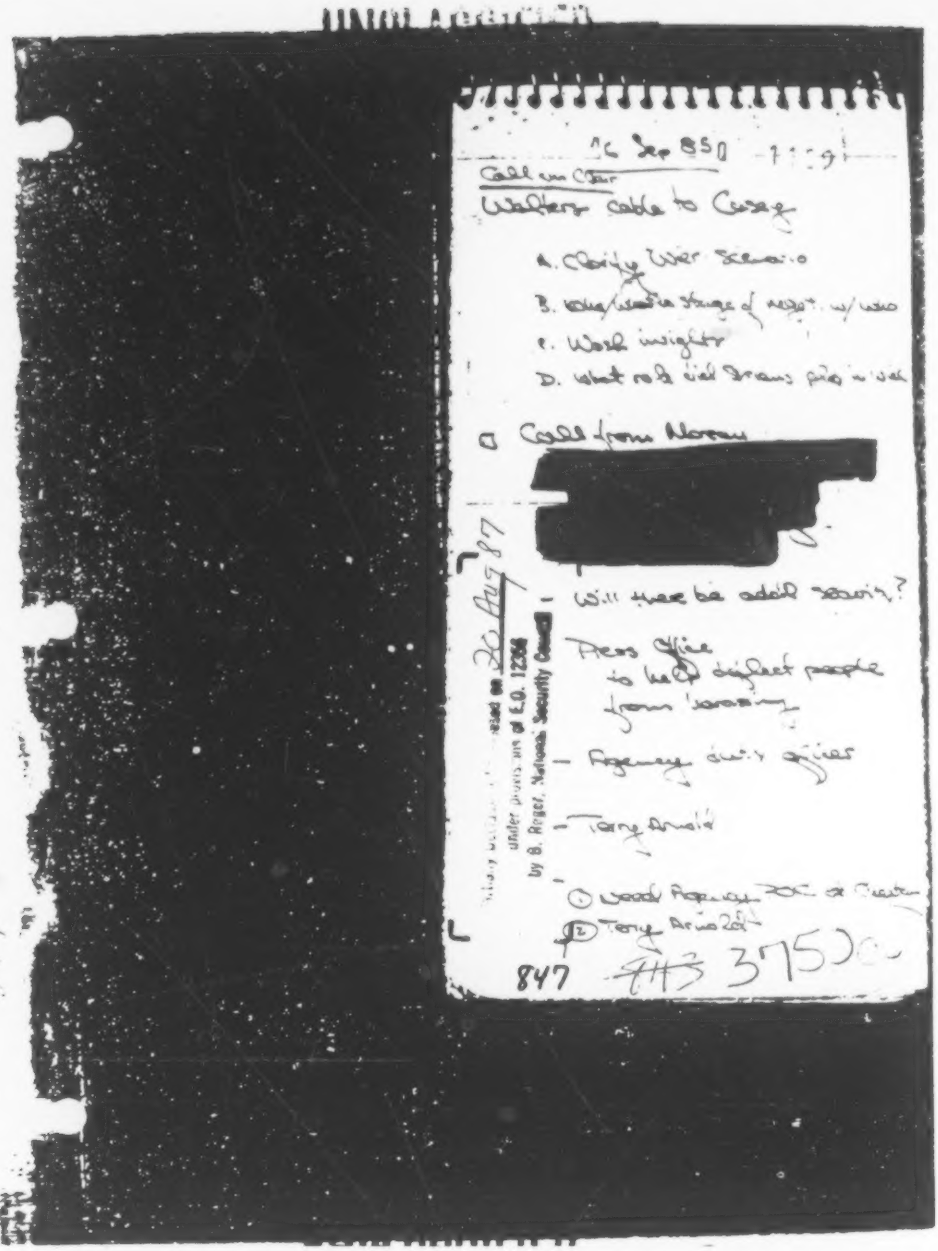
★ Call Rich Miller for Stationary.

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

150

846 TH2

EXHIBIT
CG/RW-34



UNCLASSIFIED

16 Sep 85 — 1129

Call on Clair

Walters cable to Casey

A. Clarify War Scenario

B. Who/what is stage of negot. w/ who

C. Work insights

D. What role did Israelis play in war

☐ Call from Norsey

[redacted]

- Will there be add'l security?

Press Office
to help deflect people
from 'scoring'

- Agency duty officer

- Terry Arnold

① Would Agency DDO or Clair

② Terry Arnold

847 ~~843~~ 37500

Partially declassified/released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

847

UNCLASSIFIED

16 Sep 0 1190

Banker $460K by Thurs. x for
$450K for Lake

[redacted]

27 Sep — $1.5M to Lake
[illegible] tomorrow

8 Oct — ? 500K to Lake

15 Oct — $250K/Day for total
of $1.5M

Declassified/Released on 27 August 1987
under provisions of E.O. 12356
by B Reger, National Security Council

Bob Owen
[redacted]
} N.Y.

Bob Dowling
[redacted]

[redacted]

2 [redacted]

37506

~~744~~

848

373

## EXHIBIT CG-35

UNCLASSIFIED

86-01501

86-4068

UO

[redacted]

7 October 1985

National Intelligence Council

MEMORANDUM FOR: [redacted]

VIA: [redacted]
Office of General Counsel
Central Intelligence Agency

EXHIBIT
CG 35

FROM: Charles E. Allen
National Intelligence Officer for Counterterrorism
and Narcotics

I 0644

SUBJECT: Background on U.S. Initiative to Secure Release of
American Hostages

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. [illegible]
by B. Reger, National Security Council

1. The following is provided for your background on an extremely sensitive White House initiative to secure the release of the American hostages held by the Iranian-backed Hizballah organization in Lebanon. This initiative has been underway for some months and is being controlled directly by the National Security Council (NSC). I have served the NSC as the focal point for coordinating Intelligence Community collection requirements to support the White House initiative.

2. On 12 September, I was requested by LTC Oliver North, Deputy Director of Political/Military Affairs of the NSC, to begin Intelligence Community [redacted] against certain Iranians who were involved with the White House and who were in contact with the Lebanese Hizballah. Over the next two days I was able to secure sufficient information to identify [redacted] two Iranians who were the key players in the White House initiative. One of the Iranians was [redacted] the other individual was named [redacted] whose first name is unknown. [redacted] on behalf of the Iranian government [redacted] the White House was able to gain critical insights into the attitudes of these Iranians toward the release of the American hostages and the relationship and influence that Iranian officials have over Hizballah personnel who are holding ~~the~~ hostages. The release of Rev. Benjamin Weir was effected by the White House working through intermediaries who were in direct contact with [redacted] who in turn was dealing directly with [redacted]. Following the release of Weir, [redacted] indicated, again through intermediaries, to the White House that other American hostages might be released in [illegible]

[redacted]

1

~~TOP SECRET~~ [redacted]

Copy 1 of 2

UNCLASSIFIED

3751

849

UNCLASSIFIED

3. On 28 September I was informed by the NSC (LTC North) to again coordinate [redacted] and analysis of the [redacted] connection because the White House had received information that another hostage, probably William Buckley, would be released sometime between 3 and 5 October. This increased collection effort was undertaken [redacted] The announcement by the Islamic Jihad on 3 October that it planned to execute William Buckley created a new dimension in the continuing contacts between [redacted] and [redacted] The White House through intermediaries indicated to [redacted] that it was important that he come to the US in order to determine whether potential still exists to secure the release of Buckley, assuming that he had not been killed, or of the remaining hostages held by Hizballah. The White House informed me on 5 October that [redacted] would arrive on 7 October on [redacted] Airport and that [redacted] would be staying in the [redacted] Hotel in Washington. Also joining [redacted] for these meetings was one [redacted], an Israeli, who has served as one of the intermediaries for the White House in dealing with [redacted] [redacted], allegedly a former [redacted] reportedly has a financial relationship with [redacted] and has been involved in joint ventures with [redacted] in obtaining munitions for the Government of Iran. [redacted] also will be staying at the [redacted] Hotel. [redacted] The NSC stated that this was perhaps our last opportunity to utilize this channel to determine whether William Buckley is still alive (we now have strong evidence that he is dead) and whether there are any opportunities remaining to secure the freedom of the other hostages. 0645

[redacted]

4. From my perspective and based on the analysis of the intelligence collected thus far [redacted] beyond any question is an agent of the Iranian government [redacted]s an influential member of the Iranian government [redacted] My knowledge of [redacted] only comes from a White House official who assures me that [redacted] has been an important intermediary in this

~~TOP SECRE~~[redacted]

UNCLASSIFIED

UNCLASSIFIED

initiative and that he too has financial arrangements with [redacted]. The meetings that will occur this week here in Washington with [redacted] are considered pivotal by the White House as to whether this initiative should be pursued further. The hostages believed to be held by Hizballah are as follows: Father Lawrence Jenco, a Roman Catholic priest; David Jacobsen, director of Beirut's American University Hospital; Thomas Sutherland, Dean of Agriculture at the American University; and Terry Anderson, chief AP correspondent in the Middle East.

Charles E. Allen
Charles E. Allen

I 0645

DECL OADR
CL BY [redacted]

~~TOP SECRET~~ [redacted]

UNCLASSIFIED

EXHIBIT CG–36

Document

Exhibit CG-36

Deleted in its Entirety

3752

852

EXHIBIT CG-37

Document

Exhibit CG-37

Deleted in its
Entirety 3753

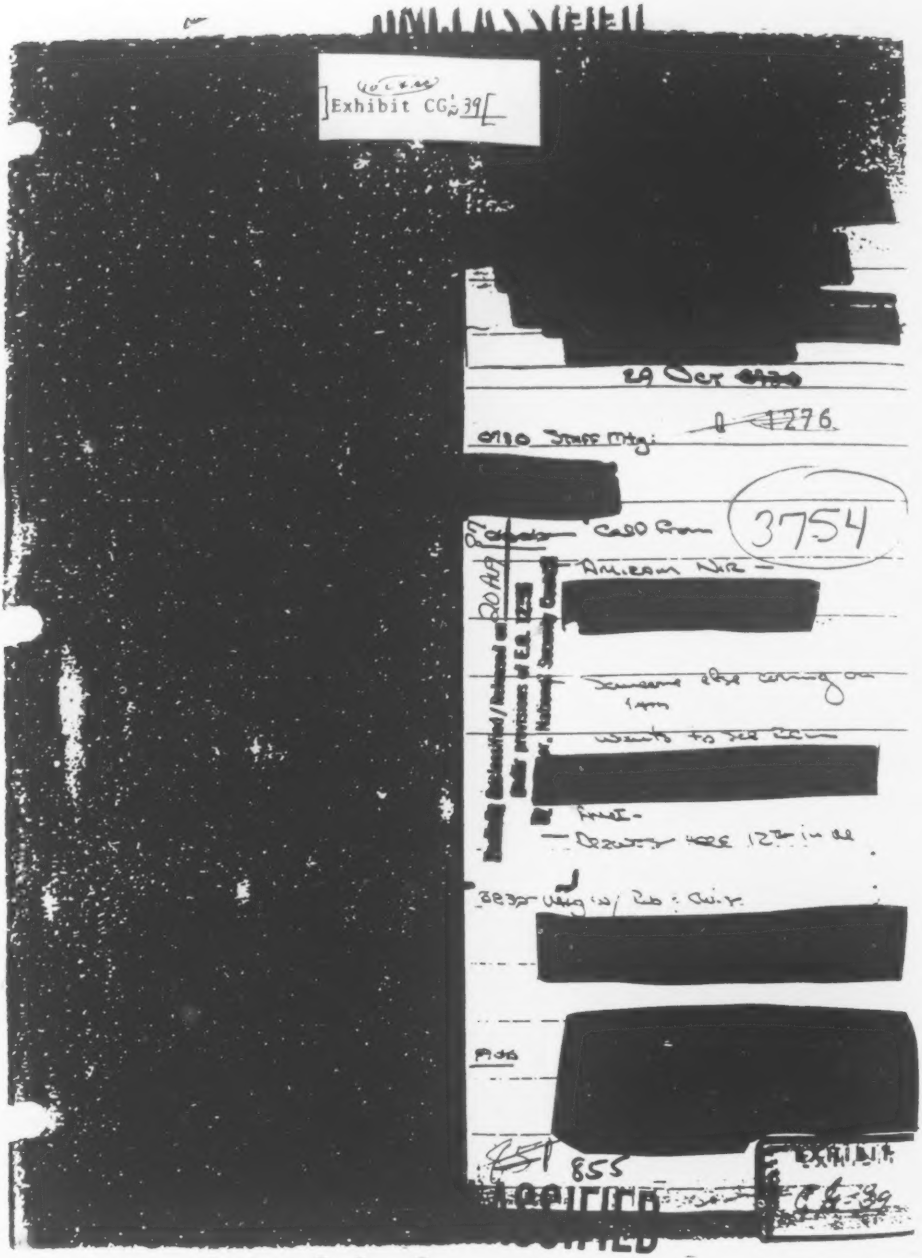
~~444~~
853

# EXHIBIT CG-38

EXHIBIT CG-38

854

# EXHIBIT CG-39



UNCLASSIFIED

Exhibit CG-39

[redacted]

29 Oct ~~[illegible]~~

0730 Staff Mtg: ~~0~~ 1276.

[redacted]

~~[illegible]~~ Call from (3754)

– Amiram Nir –

[redacted]

– Someone else coming on 1pm

– Wants to see [redacted]

[illegible]-

– Deputy here 12th in [illegible]

0830 Mtg w/ [illegible]

[redacted]

[illegible]

[redacted]

~~851~~ 855

Partially Declassified/Released on 20 Aug 87 under provisions of E.O. 12356 by [illegible], National Security Council

EXHIBIT CG-39

UNCLASSIFIED

855

UNCLASSIFIED

1277

27 Oct

[illegible] — Mtg w/ [illegible]
- [illegible] a problem
- [redacted] } both, [illegible]
} [illegible]

[illegible] — [redacted]

3754a

RCM call to Stevens:
Dole

452
856

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

UNCLASSIFIED 8 1278

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

29 Oct

5 Factors

- Arms Deliveries < [redacted]
- Additional Cuban advisors
- [illegible] removal of western Press.
- Internal crackdown < Church / opposition
- Vulnerabilities of $27M program
  exploitation of
  - first deliveries yesterday.

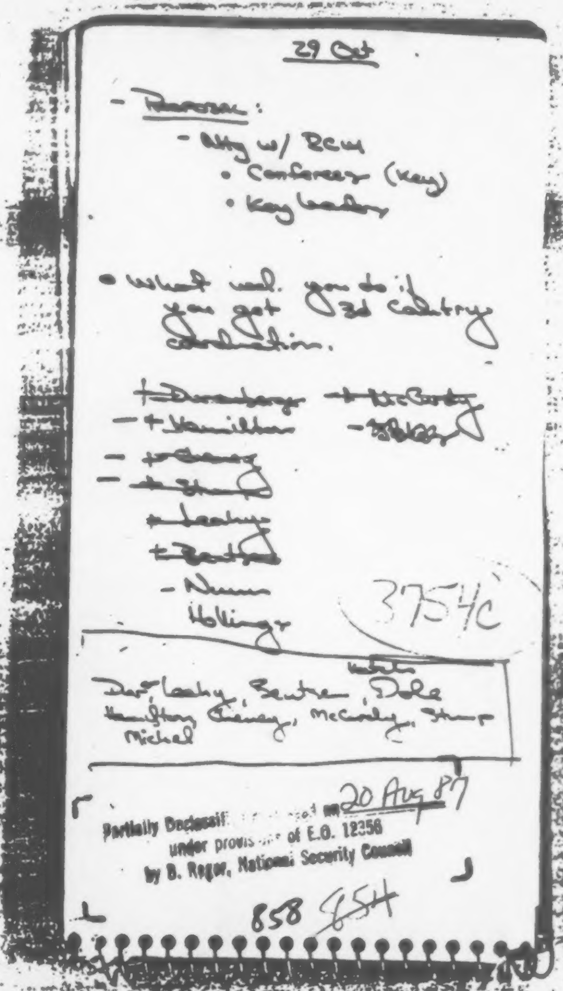
[redacted]

- Wednesday Atty – SitRoom w/ key leaders / conferees
- Need to sell that:
  - Present structure does not fulfill objectives of
  - Sandinista objective is to convince us to abandon effort
  - only if armed opposition is adequately supported will internal opposition effectively work [redacted]

37546

UNCLASSIFIED

UNCLASSIFIED 0 ~~1229~~



29 Oct

- Proposal:
  - Mtg w/ RCM
    - • Conferees (key)
    - • Key leaders

• What wd. you do if you get 3d country contribution.

~~+ Durenberger~~ ~~+ McCurdy~~
— ~~+ Hamilton~~ — ~~Stokes~~
— ~~+ Cheney~~
— ~~+ Stump~~
~~+ Leahy~~
~~+ Boren~~
– Nunn
Hollings

3754C

[illegible]
Dur Leahy, Boren, Dole
Hamilton, Cheney, McCurdy, Stump
Michel

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

858 ~~854~~

UNCLASSIFIED

UNCLASSIFIED 0 ~~1280~~

29 Dec -

1500
- MTG w/ Spitz & Bar

- Program for 14,000.
- Commercials on SDI
- Assignment for Barbara N.
  $500K w/in 30 days.
-

[redacted]

[redacted]

Partially Declass... sed on 20 Aug 87
under provis...ns of E.O. 12356
by B. Reger, National Security Council

859.

UNCLASSIFIED

UNCLASSIFIED 8 1284

29Oct85

[redacted]

- Bill [redacted]

- $265,000

[redacted]

Nollering

Nuce - 2thr Hold.

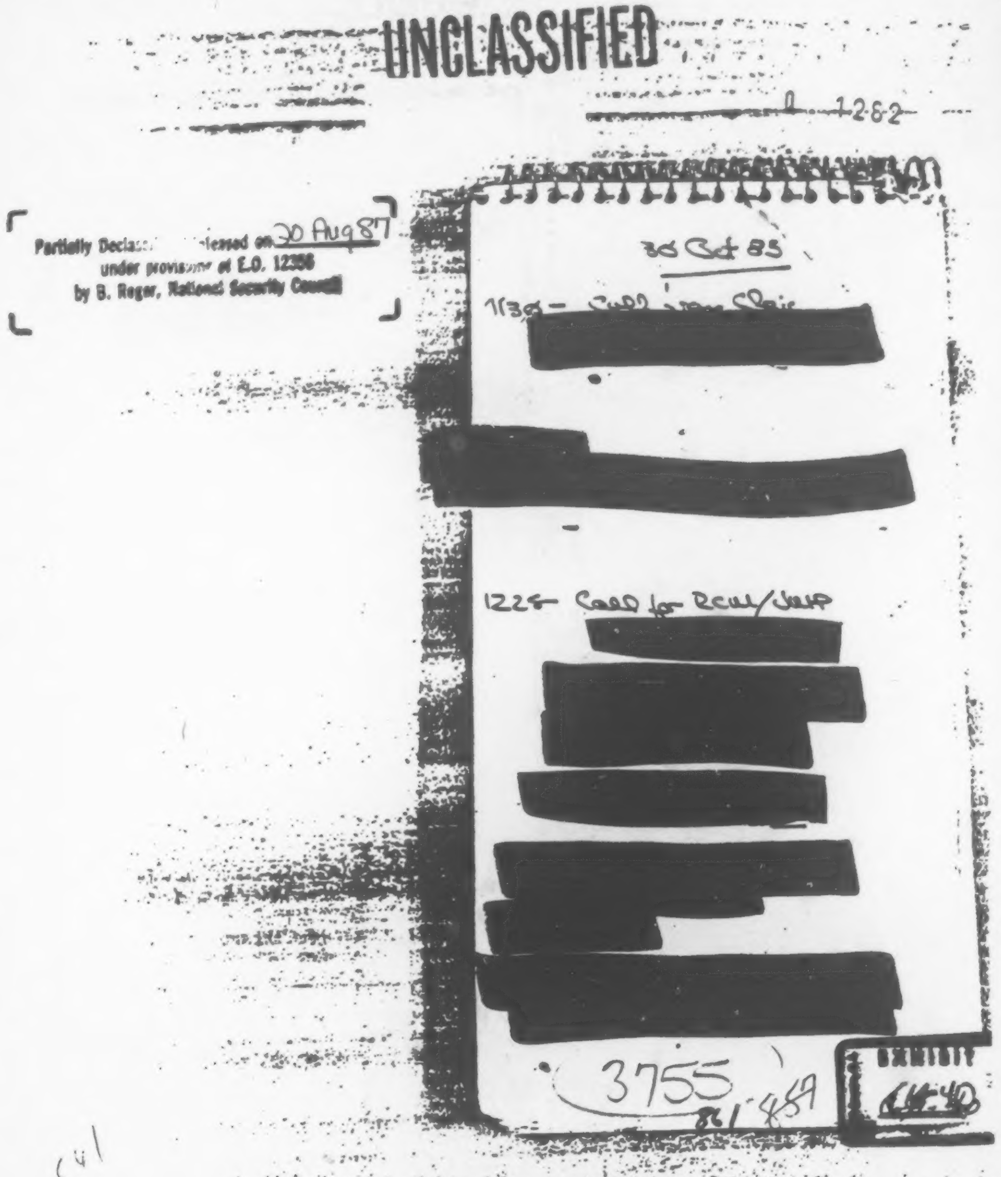
3754c

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
By B. Reger, National Security Council

ESti 860

UNCLASSIFIED

## EXHIBIT CG-40



UNCLASSIFIED

1282

Partially Declassified/Released on 30 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

30 Oct 85

1130 – Call from [redacted]

[redacted]

1225 – Call for RCM/JMP

[redacted]

3755

861 859

EXHIBIT
CG-40

841

UNCLASSIFIED

UNCLASSIFIED

C 1283

Partially Declassified/Released on 30 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

31 Oct 85

- Mtg w/ Mike L.

[redacted] Δ Govt.

[redacted] ready to be U.S. Agt - has [illegible]

- Maybe vote ([illegible]/year for [illegible])
- Can have people meet w/ us.
- travels often [redacted]

[illegible] Eqp. to get hostages out

- [illegible] 155 [illegible]
  [illegible] 2[illegible] S/W missiles
  ~~[illegible]~~ Phoenix

- 1, 3, 5 - Ship hostages
  2, 4 - Ship weapons

* McFarlane Q&A

[redacted] complaining about 500 TOWs

- Does not know about Buckley

[redacted]

* Check w/ Dick S. to see if Green talked to Leonard Garment.

3755a 771

UNCLASSIFIED

862

UNCLASSIFIED

1284

30 Oct 85

- ~~1800~~ - Gorba, Michael, North Mtg.
  - 3 Issues: Hostages, [redacted]

**Gorba** - Implies very few sensible people in Iranian Army.

ML - willing to deal w/ Israelis to bring out credible military and political leaders.

- Schwimmer will go to Shimon Peres.

**Gorba** Not one single item w/o live Americans

[redacted]

863

859

3755b

Partially Declassified/Released on 20 AUG 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT CG–41

Document

Exhibit CG-41

Deleted in its Entirety

3756

864

**Exhibit CG–42**

Document

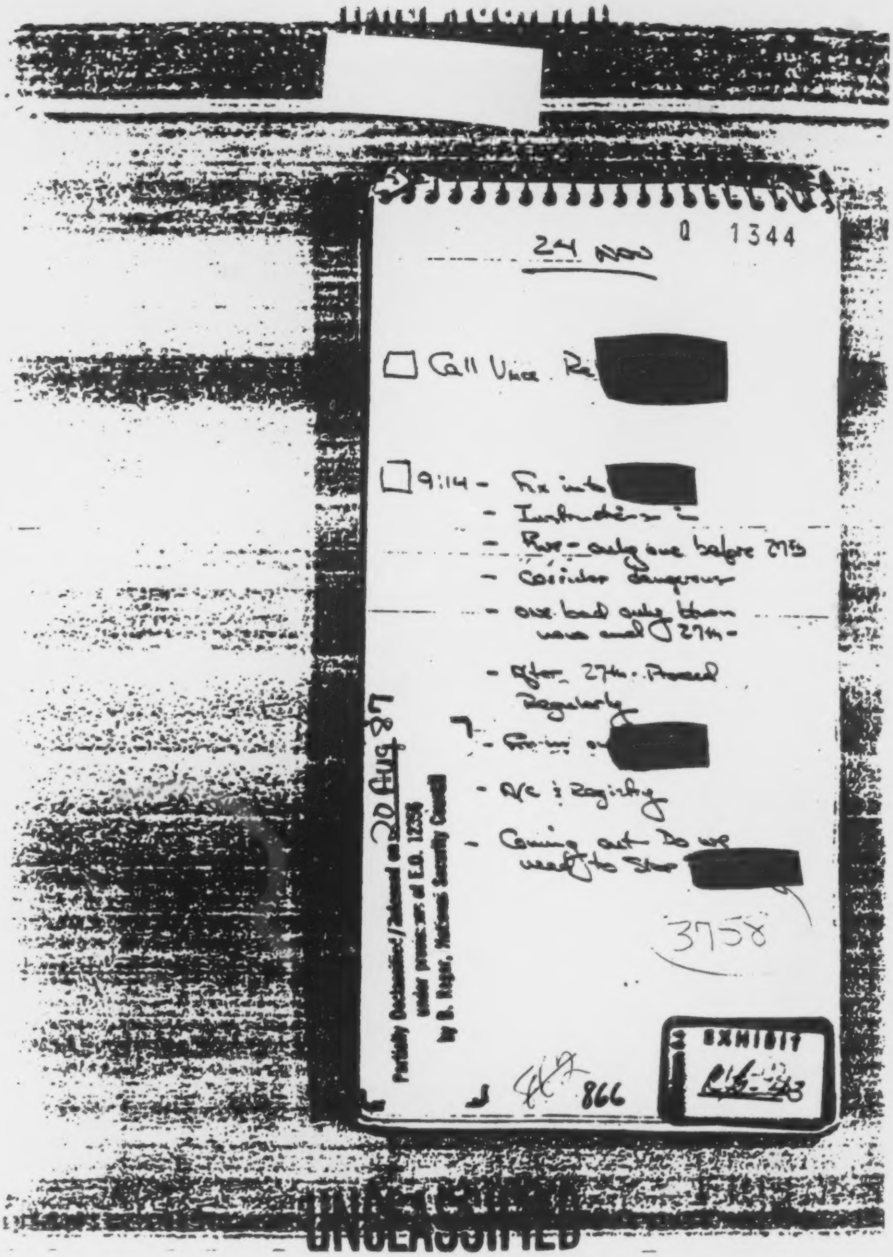
Exhibit CG-42

Deleted in its Entirety

(3757)

865

EXHIBIT CG–43



UNCLASSIFIED

0 1344

24 NOV

☐ Call Vince. Re [redacted]

☐ 9:14 - Fix into [redacted]
- Instructions ?
- Rus - only one before 27th
- Consider dangerous
- one bad only then wait until 27th -
- After 27th - Proceed Regularly
- Going on [redacted]
- A/C is Registry
- Coming out Do we need to stop [redacted]

3758

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

866

EXHIBIT
CG-43

UNCLASSIFIED

UNCLASSIFIED

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

24 Nov 0 1345

[redacted]

☑ Call Don Regan
- Read Press Guidance
- Tom Dawson called back

☐ Call to Al Schwimmer
Re: A/C move

27

[redacted]

☐

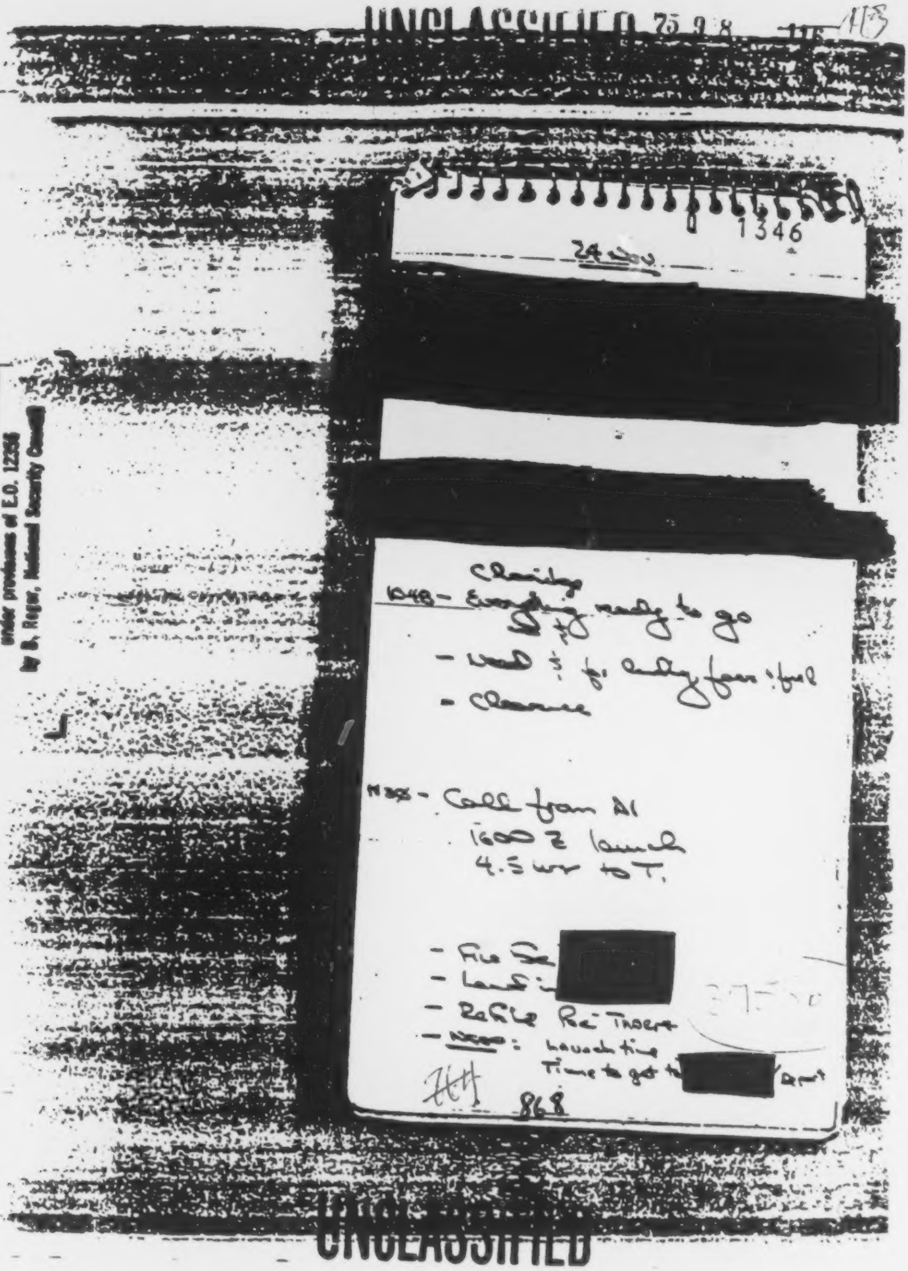
☐

[redacted]

863

87

UNCLASSIFIED 75 9 8 115



1346

24 Nov

[redacted]

[redacted]

Clarridge

1048 - Everything ready to go

- Need ... for landing from : fuel
- Clearance

1138 - Call from Al

1600 Z launch

4.5 hrs to T.

- Fire Se[redacted]
- Land i[redacted]
- Refile Re-Insert
- Need: Launch time

Time to get to [redacted] / arr

868

UNCLASSIFIED

Partially Declassified/Released on 20 Aug 87

under provisions of E.O. 12356

by B. Reger, National Security Council

UNCLASSIFIED

Partially Declassified/Released on 20 Aug '87
under provisions of E.O. 12356
by B. Reger, National Security Council

1230 24 Nov 0 1347

[redacted]

Dewey

Capt - [redacted]

Rm 3006

waiting for [redacted] F [redacted]

[redacted]

[redacted]

1310 - Schwimmer

ETD - 2200Z →

- 2230 →

- 2430 → 0030

465

869

UNCLASSIFIED

UNCLASSIFIED

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

Q 1348

24 NOV

1654
- Dick Copp
  - Spent 750 K w [redacted]
  -

1751 Call from Schwimmer ★
A/C on ground i [redacted]

1752 – Called to/from Clarridge
- no manifests provided
- [redacted] says that they have lots of fooling way out.
- [redacted]

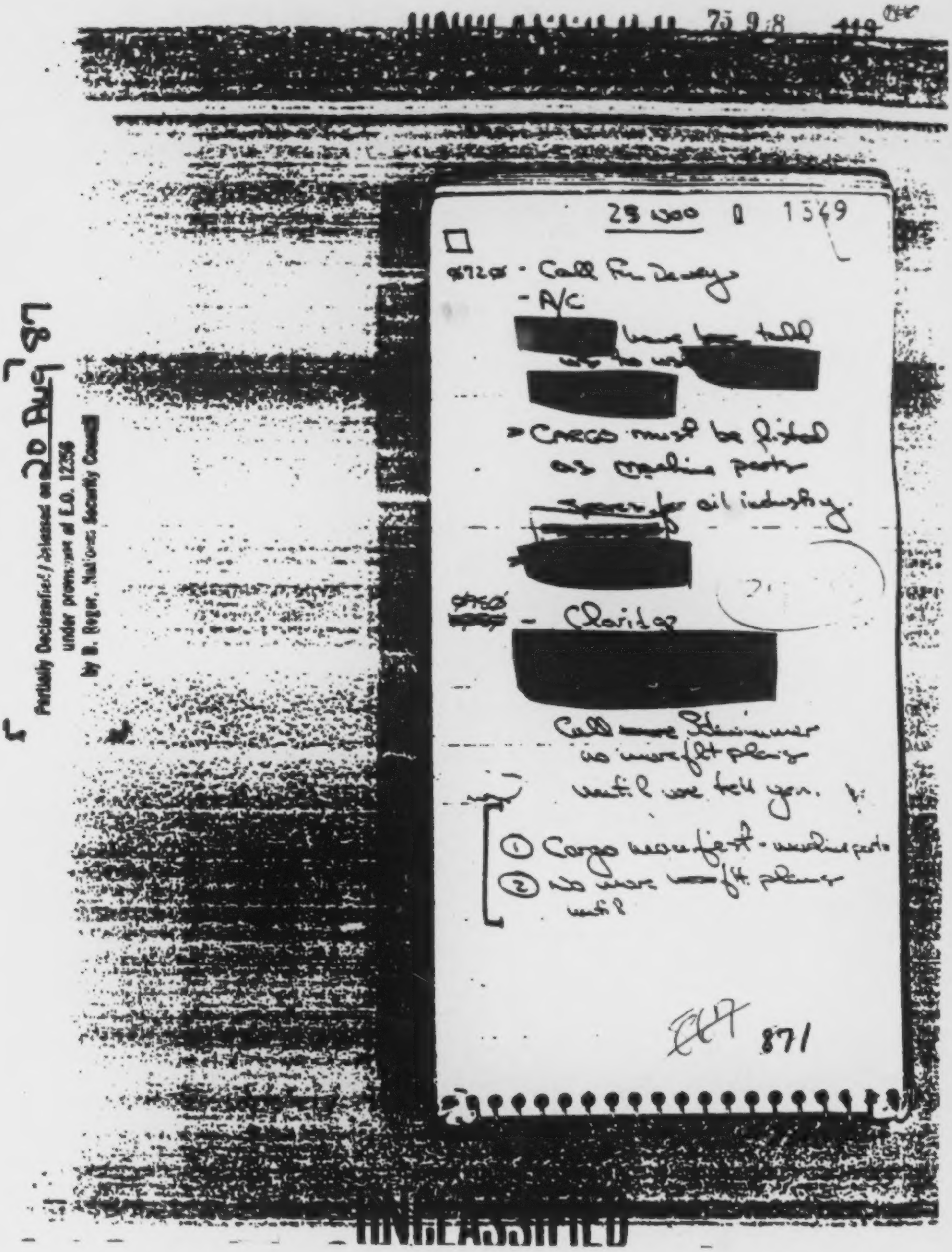
2045 – Call back to Gen Douglas
- Call Sawir → [redacted]

2130 – Call to AD:
- A/C launched
- Release?

2045 [redacted]
- N.Y. Air – At Approx 5:30 P.M

~~866~~ 870

UNCLASSIFIED



75 9 8 ~~119~~

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

23 Nov 0 1549

☐

0720 - Call fm Dewey
- A/C
[redacted] have been told
we to [redacted]
[redacted]
> CARGO must be listed
as machine parts
~~Spares~~ for oil industry.
[redacted]
0750
~~[illegible]~~ - Clarridge
[redacted]
Call ~~[illegible]~~ Steinmer
no more flt plans
until we tell you.

① Cargo manifest - machine parts
② no more ~~[illegible]~~ flt. plans
until

871

UNCLASSIFIED

UNCLASSIFIED

Partially Declassified/Released on 20 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

Q 1350

25 Nov

1025

Haskell - [redacted]

- Will do [illegible] in N.Y. [illegible]

1030 - Call to Schwimmer/Clarridge
- 2 hrs. for T/O of A/C
- Round trip
- If all loaded 2 [illegible]

Sugg. Clar: [redacted]

375 +

- Same hotel for [redacted] Goode
- Shd. have delivery - next hour.

-

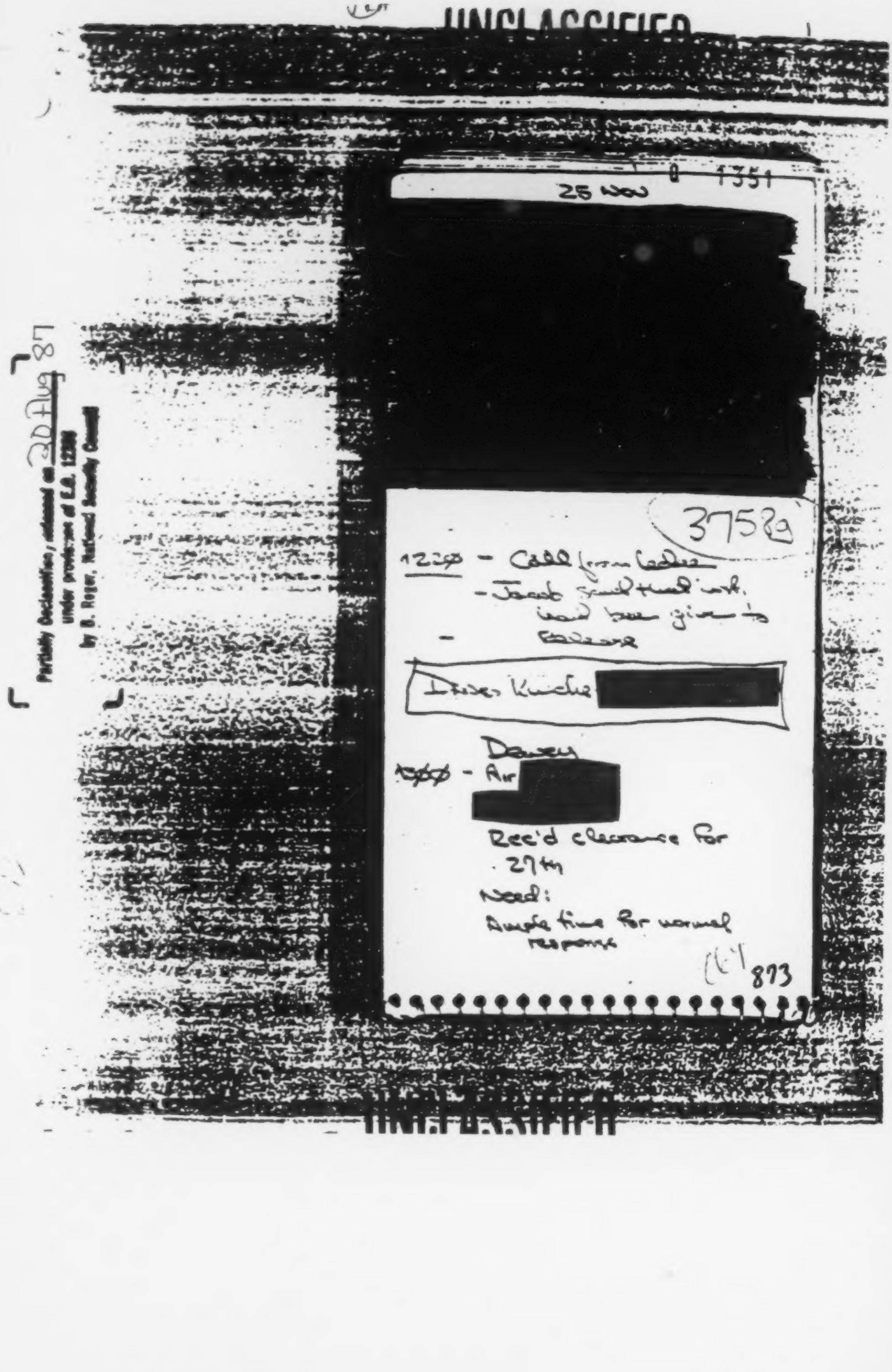
1115 - Haskell

1130 - Col [illegible]
- wants list

[redacted] - Tom Green

872

UNCLASSIFIED



UNCLASSIFIED

25 Nov 0 1351

[redacted]

37589

1200 - Call from Ledeen
- Jacob said that inf. had been given to
- [illegible]

Drivers Kuche [redacted]

Dewey
1300 - Air [redacted]

Rec'd clearance for 27th

Need:
Ample time for normal response

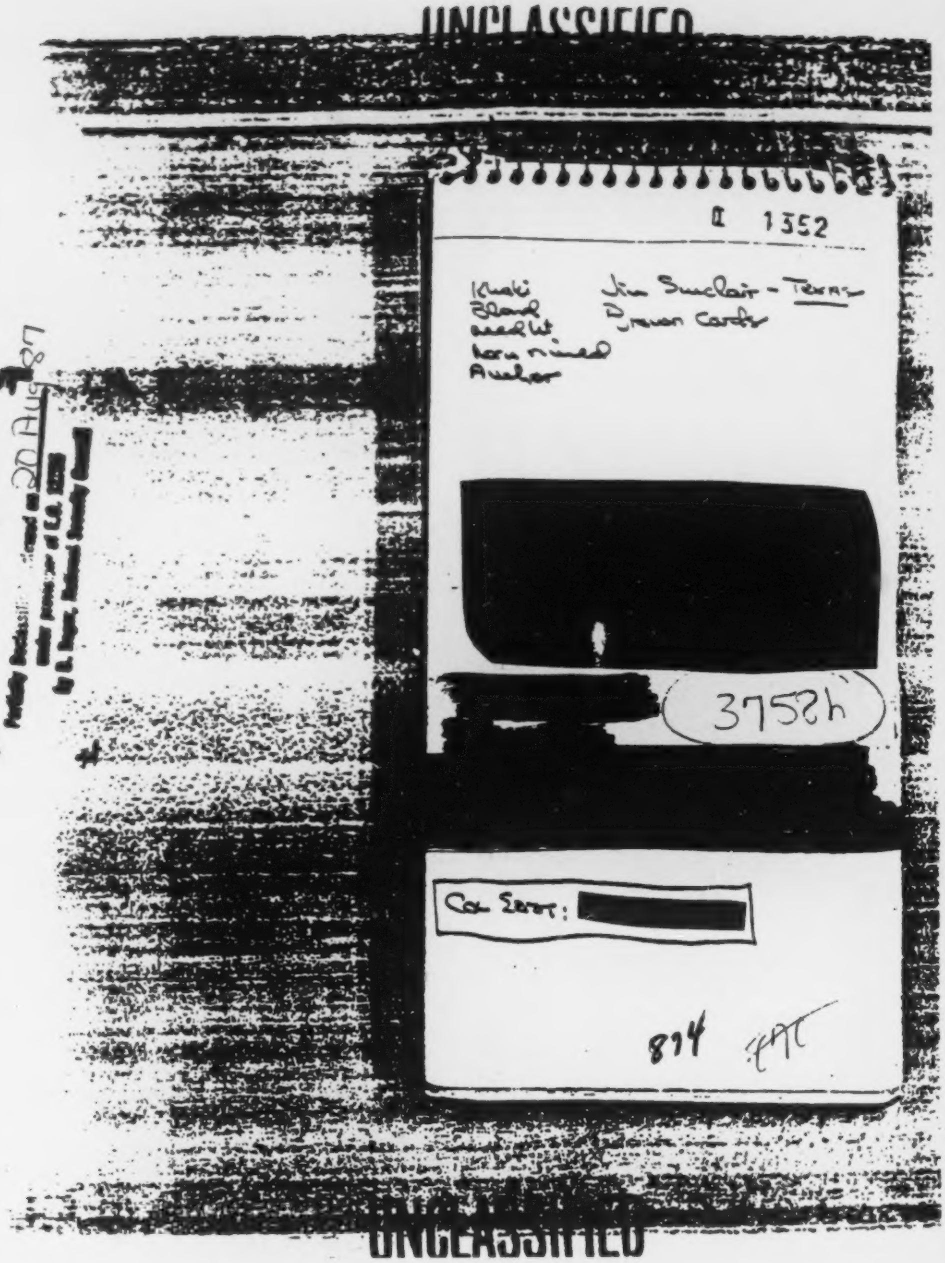
873

UNCLASSIFIED

Partially Declassified/Released on 30 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council



II 1352

Khaki
Blond
med wt
horn rimmed
Anchor

Jim Sinclair – Texas
Duncan Carter

[redacted]

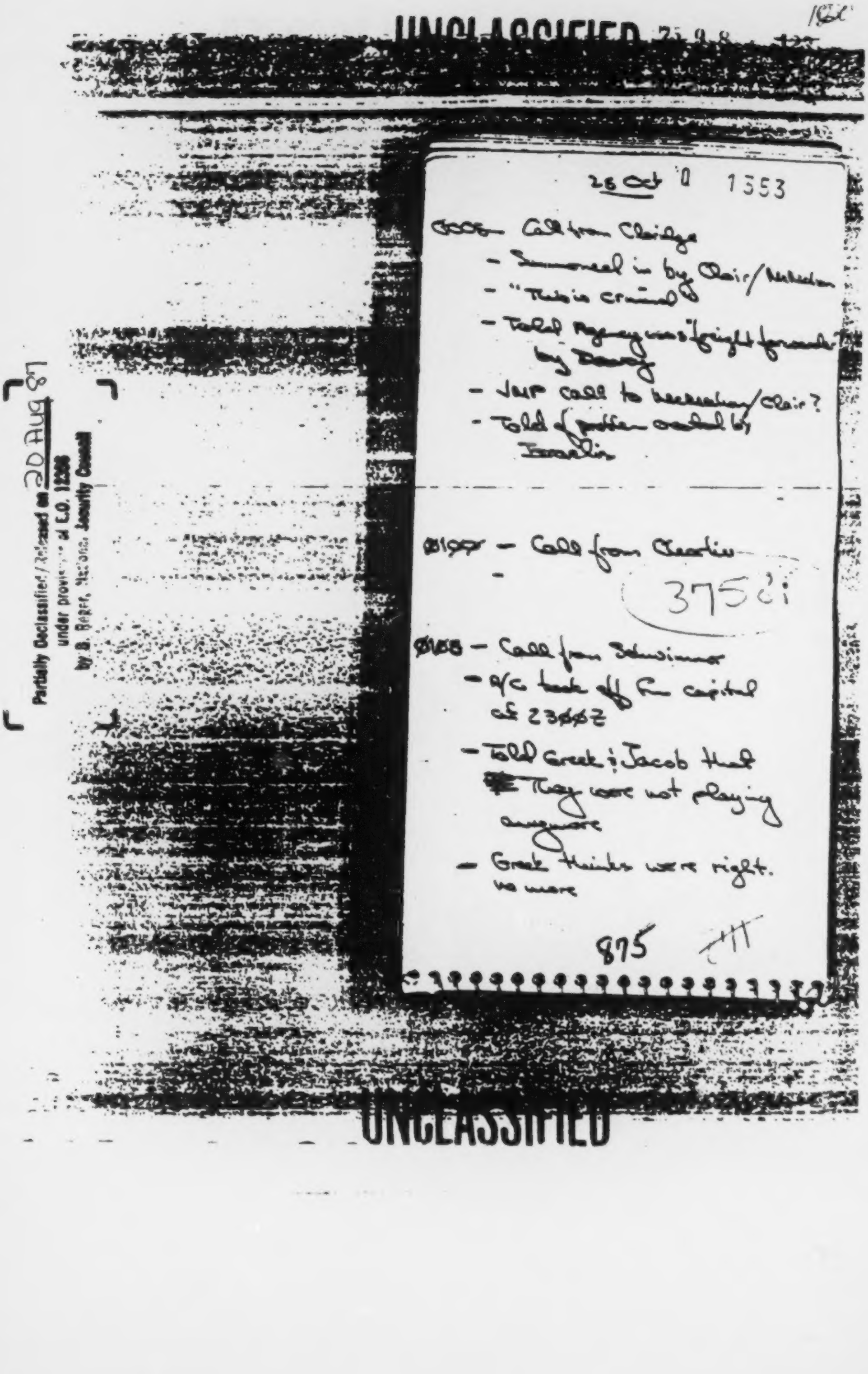
37524

[redacted]

Col Serrt: [redacted]

874

UNCLASSIFIED



UNCLASSIFIED

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

25 Oct 1353

0008 – Call from Clarridge
- Summoned in by Clair/McMahon
- "This is criminal"
- Told Agency was "freight forwarder" by Dewey
- JMP call to McMahon/Clair?
- Told of problem created by Israelis

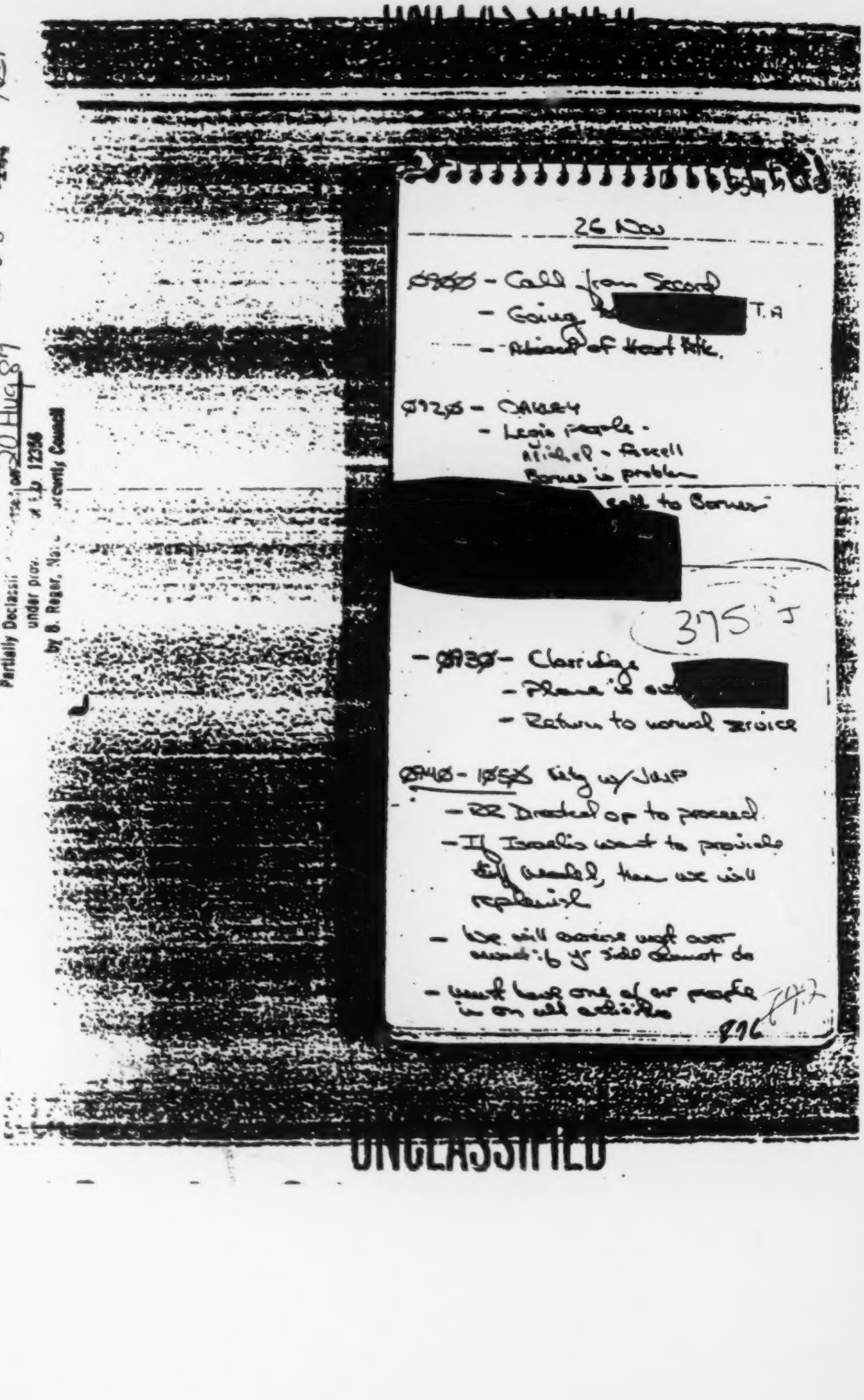
0100 – Call from Charlie
-

3756i

0108 – Call from Schwimmer
- A/C took off from capital at 2300Z
- Told Greek & Jacob that they were not playing anymore
- Greek thinks we're right. No more

875

UNCLASSIFIED



UNCLASSIFIED

7398 ~~424~~

Partially Declassi... 20 Aug 87
under prov... E.O. 12356
by B. Reger, Na... Security Council

576

26 Nov

0900 - Call from Secord
- Going to [redacted] T.A
- Afraid of Heart Atk.

0920 - OAKLEY
- Lewis people -
Mitchell - Fascell
Barnes is problem

[redacted] call to Barnes

375 J

- 0930 - Claridge
- Plane is ac [redacted]
- Return to normal service

0940 - 1050 Mtg w/ JMP
- RR Directed op to proceed.
- If Israelis want to provide stuff needed, then we will replenish
- We will ensure what ever needed if yr side cannot do
- Want have one of our people in on all activities

7/47
876

UNCLASSIFIED

UNCLASSIFIED 70 938 ~~128~~ ~~489~~ 125

26 Oct 1355

1405 - Call from Clair

Sporkin has decided that the CIA needs a finding to sup

Nonie

Jimmie

~~1400~~ ~~1500~~

1430 - Talk w/

3758K

[redacted]

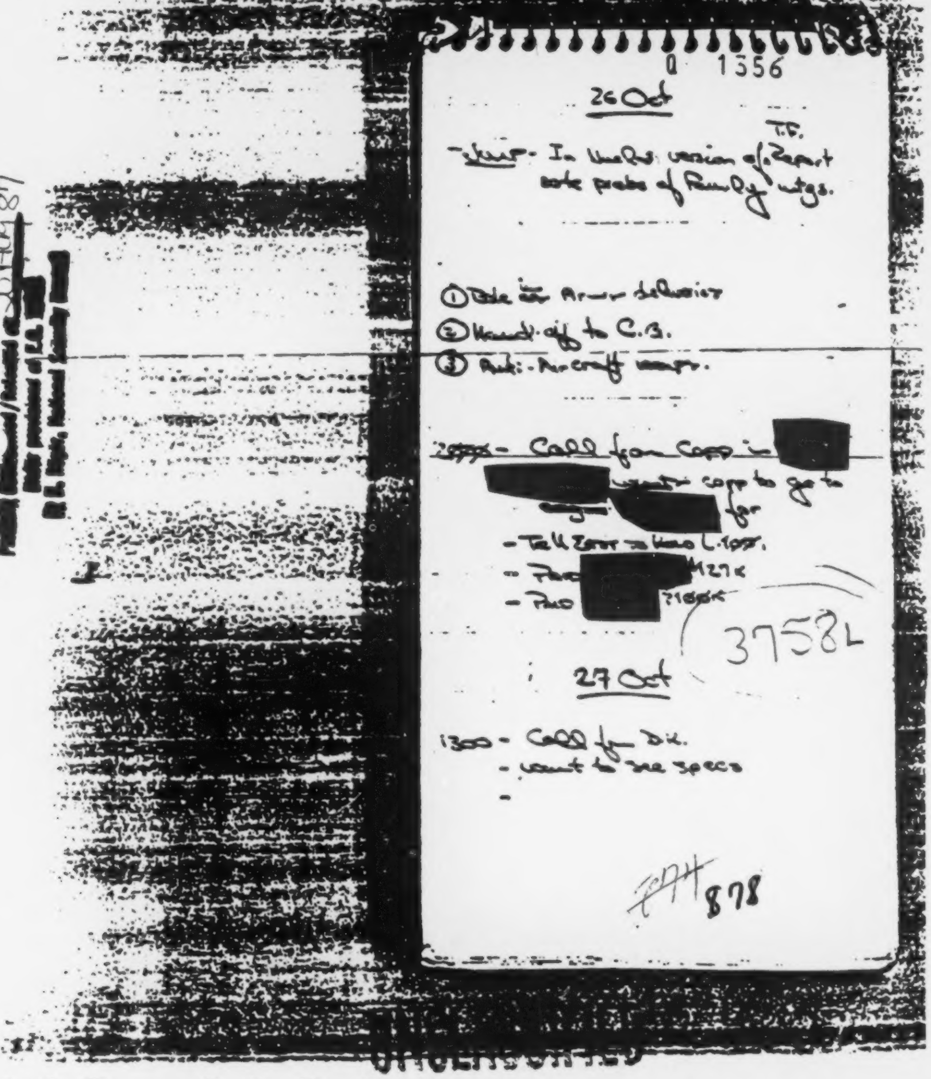
1930 Mtg w/ V.P. [redacted] Bishop Allin, Jamie Wolsky, Nancy Dawson, JMP, Don Gregg - Parker Borg, Craig Fuller, Don Jones,

[redacted]

Partially Declassified/Released on 20 Aug 87 under provisions of E.O. 12356 by B. Reger, National Security Council

UNCLASSIFIED

UNCLASSIFIED 75 9?8 ~~126~~



Partially Declassified/Released on 30 Aug 87 under provisions of E.O. 12356 by K. Johnson, National Security Council

Q 1356

26 Oct

- [illegible] - In Wash. version of T.F. Report note probs of Family mtgs.

① Date for Arms deliveries
② Hand-off to C.B.
③ Anti-Aircraft weapons.

2??? - Call from Copp in [redacted]
[redacted] wants Copp to go to [illegible] [redacted] for
- Tell Ezer to have L. 100.
- Paid [redacted] 427K
- Paid [redacted] ?180K

37582

27 Oct

1300 - Call from Dick.
- want to see specs
-

~~874~~ 878

UNCLASSIFIED

## EXHIBIT CG-44

UNCLASSIFIED ~ by Newsom 86-40685

CIIN NO. 10 TITLE John McMahon's memo for the record of December 7, 1985, concerning assistance to "Secord."

I 0392

| DATE | DESCRIPTOR - TO/FROM |
|---|---|
| Dec 85 | MFR (NSC Mission) John N. McMahon |

3'15

[redacted]

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
By B. Reger, National Security Council

879

UNCLASSIFIED

EXHIBIT
CG-44

UNCLASSIFIED

06-4068 II

7 December 1985

I 0393

MEMORANDUM FOR THE RECORD

SUBJECT: NSC Mission

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

1. On Saturday, 23 November 1985, Ed Juchniewicz asked me if I was aware of all the activity transpiring on the effort to get the hostages out. He showed me a cable to [redacted] asking that we pass a message to the charge from the Deputy Assistant to the President for National Security Affairs. The message assured the charge that only the Secretary of State and Ambassador Oakley were aware of the operation. I told Juchniewicz that I was unaware of the specifics of the operation but due to the sensitivity of the operation, it was appropriate that we pass correspondence between the NSC and the ambassadors overseas, but only communications, that we could not be involved without a Finding.

2. On Monday, the 25th of November, while visiting the Office of the DDO, [redacted] was present and had given Clair George a Spot Report on a flight that [redacted] had made in support of the NSC mission. I went through the overhead pointing out that there was no way we could become involved in any implementation of this mission without a Finding. Mr. Juchniewicz explained that we did not make the arrangements. When General Secord visited the Agency he tried to get leads on airlines that might be available to move equipment to the Near East in a secure fashion. We told him we did not have any such airlift capability. However, Mr. Juchniewicz said it was pointed out to General Secord that there was a commercial airlift that might do it owned by [redacted] General Secord then took it from there and made arrangements for a flight on a strictly commercial basis.

3. Somewhat distressed at this turn of events, I immediately informed our General Counsel after confirming with Dewey Clarridge our involvement. I instructed the [redacted] personnel to immediately go over and brief the General Counsel and so advised the General Counsel at 6:15, the evening of 25 November. He informed me later that night that a Finding would be required, not so much from the airlift standpoint, but from our involvement in influencing foreign government officials to assist the mission. A Finding was prepared the next day. The Finding was cleared with the Director who called McFarlane and Don Regan to ascertain that indeed this had Presidential approval and to get assurances that a Finding would be so signed. After repeated calls to NSC personnel on 27 November and during the week of 2 December continuously receiving reassurances of the President's intent to sign the Finding, we were notified on 5 December that indeed the Finding was signed. The President directed us not to inform Congress for the reasons of the safety and secure release of the hostages until he so directed.

3759a

UNCLASSIFIED

776 880

[redacted]

CL BY [illegible]

UNCLASSIFIED

75 908 ~~126~~ ~~129~~

I 0394

4. (On 25 November, the Ambassador in [redacted] cabled the Director personally [redacted] noting that Ambassador [redacted] would like to talk to the Director on the telephone. In response, I released a cable to the Ambassador assuring him that the operation that he had been briefed on by the DCM was initiated by the National Security Council but suggesting it would not be wise to attempt to reactivate our request to get [redacted] approval.)

John N. McMahon

[illegible] 881

UNCLASSIFIED

## Exhibit CG–45

UNCLASSIFIED

18 December 1985

MEMORANDUM FOR THE RECORD C 222

SUBJECT: Discussion with Subject Ledeen?

1. Subject requested a meeting with Chief, DO/EUR and NIO for Counterterrorism at 1500 hours on 4 December at Headquarters. He explained that he had just returned from Paris where he had conducted some unspecified business. While there, he acquired certain documents and other information that he believed would be useful in a collection effort that the NIO/CT is conducting on behalf of LTC Oliver North, NSC Staff relating to the US hostages. Subject also proposed a new initiative against President Qadhafi and Libya utilizing certain resources that he claims to have at his disposal. However, conduct of this anti-Libyan effort would require Agency support. Chief, EUR recommended that subject provide details to the NIO/CT so that this could be evaluated upon his return on 13 December from a trip to Europe.

2. Subject proceeded to inform NIO/CT of private efforts that he had undertaken with White House encouragement to establish contacts within the Iranian government--contacts that were helpful in securing the release of Rev. Benjamin Weir in September. He stated that he had urged National Security Advisor MacFarlane (whom he served as a consultant) over a year ago to undertake an effort to establish links into the Government of Iran and that MacFarlane had agreed that secret, indirect contacts could be established. The objective was to build bridges with more moderate elements of the government in an effort to modify the extremist, anti-Western policies of the Khomeini regime and to determine if these moderate elements were strong enough to seize power. Subject stated that he was able to establish contact with some key Iranians utilizing Israeli contacts, including one Col. Jackob Nimrodi, an Israeli who is involved in the international arms market. Subject would not disclose any details on how he met Nimrodi, although the latter allegedly was at one time a Mossad agent. Nimrodi, who has offices in Tel Aviv, London, and New York, introduced him to a Mr. Ghorbanifar, who also uses the pseudonym Asghari. Ghorbanifar, according to Subject, was once an agent for SAVAK, but saw where the Iranian revolution was headed in 1978 and bolted to Khomeini just before the fall of the Shah. Subject describes Ghorbanifar as "a recruited agent" and "a good fellow who is a lot of fun". Ghorbanifar, who has a family in France, apparently also has a girlfriend in California, who is having some difficulty maintaining her alien resident status.

B 3. Ghorbanifar's principal contact within the Iranian government is B one [redacted] also known as [redacted]. Subject described [redacted] as "an action guy" whose responsibilities are to procure arms for Iran on the international market; he also claims that [redacted] runs a terrorist

B

S

Partially Declassified/Released on 20 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

CL BY SIGNER
DECL OADR SISR VOL I

37½

UNCLASSIFIED

~~TOP SECRET/NOFORN/NOCONTRACT/ORCON~~

882

EXHIBIT
CG-45

~~UNCLASSIFIED~~ 70 928 ~~13~~

C 223

organization in Western Europe. [redacted] has significant authority in authorizing the procurement of arms [redacted] in the Office of the Prime Minister. Ghorbanifar and [redacted] assert that the activities of Hizballah in Lebanon are managed out of the Prime Minister's office. The line of control goes from that office in Tehran [redacted] also had influence over Hizballah. These Iranian elements know what group holds the American hostages in Lebanon and can secure their release if a decision is made to do so. [redacted] The same holds true for the four remaining hostages held by Hizballah; if it is decided that it is in Iran's interest to secure their release, this can be quickly accomplished.

4. Subject explained that the four hostages were expected to be released just before Thanksgiving because of the Hawk missiles that had been delivered with intermediaries (who include, among others David Kimche of Israel). After delivery of 20 of these missiles, Sutherland, Anderson, Jenco and Jacobsen were to be released in West Beirut; once these four were released, another 100 Hawk missiles would be delivered to Iran. This did not occur because there were disagreements over the particular model of the Hawk missile that was delivered. [redacted] on 28 November was frantically trying to contact Majles Speaker Ransanjani, urging him to reciprocate by freeing the hostages now that the Americans had shown "good faith" by permitting the shipment of Hawks to Tabriz. According to Subject, the disagreement appears to have resulted from a misunderstanding on both sides concerning what specific type of equipment was requested. [redacted] had sent word, again through intermediaries, to MacFarlane that Iran was displeased because it did not get the correct equipment. Subject stated that the Iranians apparently had expected a newer, modified version of the Hawk system. According to Subject, the opportunity to deal with Iran now is "excellent" because Tehran is "desperate" for specific types of equipment such as the TOW anti-tank missiles. He also noted that neither Iran nor its surrogate has attacked or kidnapped any Americans in some months. The crew, for example, that had flown in the Hawk missiles had not only been permitted to return unimpeded but were given "caviar" to eat on their flight out of Iran. These developments auger well for the United States and every effort should be made to exploit Tehran's need for arms in order to build bridges with more moderate elements of the Iranian government and to preclude additional attacks against American interests. This was a long term strategy that the United States--with caution and discretion--needs to pursue.

5. Subject again turned to Ghorbanifar. The latter, at great personal risk, travels to Iran about once a month to discuss weapons procurement. Ghorbanifar has even traveled to Israel--without Tehran's knowledge--to meet with Israeli officials. All told, Subject has had about a dozen meetings with Ghorbanifar in France, Switzerland, Israel, and the United States. In fact, Subject arranged for Ghorbanifar to come to the US in October and actually brought Ghorbanifar into the White House. As a result, Ghorbanifar enhanced his credibility with senior Iranian officials, including Rafsanjani, who believes that Vice President Bush is orchestrating the US initiative with Iran. In fact, according to Subject, Rafsanjani believes that Bush is the most powerful man in the US because in addition to being Vice President, he was once Director of CIA.

UNCLASSIFIED

~~UNCLASSIFIED~~ 75 938 ~~132~~ [illegible]

C 224

6. Subject stated that Ghorbanifar had met with Agency officials in the past but that he found that CIA officers did not trust him. Ghorbanifar was extremely reluctant to have further contact with CIA and stated that his experiences with CIA "had been bad".

7. Subject stated that Ghorbanifar had proposed to him a "scam" that would discredit Libyan leader Qadhafi. [redacted] the murder of Libyan dissident leader Murgiyah. Ghorbanifar claims that this is an excellent opportunity to plan a "sting operation" against Qadhafi by staging the murder of Murgiyah. [redacted] According to Ghorbanifar's plan, arrangements would be made for Murgiyah to reappear after about three months to expose Qadhafi's intent to murder him. [redacted] Subject urged that the Agency seriously consider exploring the possibility of supporting such an operation.

8. Subject stated that Ghorbanifar probably has a "limited life span" and speculated that the Iranians may eventually take action against him. Nonetheless, it was important to use fully Ghorbanifar's knowledge and contacts at this stage. Subject noted that he would be traveling again shortly to Europe and would be discussing the proposed Libyan operation further with Ghorbanifar. He was hopeful that, in the meantime, some reaction could be obtained from CIA. Subject noted that he had discussed this issue with Oliver North of the NSC who favors the undertaking of this operation.

9. Subject claims that Ghorbanifar has good bona fides with [redacted] and that the risk of running the sting operation is "relatively low". Moreover, in his view, the risk of exposing the US hand was equally small. [redacted]

10. Subject also claimed, without further explanation, that B [redacted] "has been recruited" and would do the bidding of those working on freeing the American hostages.

Charles E. Allen

Charles E. Allen

884

884

UNCLASSIFIED

~~CT/ORCON~~

75 9.8 ~~135~~ 136 UNCLASSIFIED

[redacted]

[redacted]

C 1472

85 9422788 ASO PAGE 001 TOT: 27 [redacted] DEC 85 DIRECTOR 670737

~~S E C R E T~~

STAFF 27 [redacted] DIRECTOR 670737

[redacted]

[redacted]

SUBJECT: IRANIAN TERRORIST THREAT INFORMATION

1. HQS RECEIVED THE FOLLOWING INFORMATION ON 4 DEC 85 FROM [redacted] SOURCED TO [redacted] (IDEN TO [redacted], ON WHOM A FABRICATOR NOTICE [redacted] (DIRECTOR 023056) WAS DISSEMINATED ON 25 JUL 84. ALTHOUGH [redacted] PROVIDED SOME USEFUL INFORMATION FROM JAN 80 TO SEPT 81 [redacted] HE HAD A HISTORY OF PREDICTING EVENTS AFTER THEY HAPPENED AND WAS PERCEIVED TO BE A RUMORMONGER OF OCCASIONAL USEFULNESS. HIS INFORMATION CONSISTENTLY LACKED SOURCING AND DETAIL NOTWITHSTANDING HIS EXCLUSIVE INTEREST IN GETTING MONEY FOR HIS QUESTIONABLE PURSUITS. IN MAR 84, [redacted] VOLUNTEERED INFORMATION ON THE KIDNAPPING OF AN AMERICAN DIPLOMAT AND ON A PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES. [redacted] EXAMS AND INVESTIGATION OF HIS STORY DETERMINED THAT HE DELIBERATELY PROVIDED FALSE INFORMATION ABOUT BOTH INCIDENTS.

[redacted]

3761

Partially Declassified/Released on 20 Aug 89
under provisions of E.O. 12356
by B. Reger, National Security Council

885

CLASSIFIED
[illegible]
on 27 March 87
HSC & SSC

UNCLASSIFIED

75 9.8 ~~134~~

~~SECRET~~

Continuation page for DIR-670737C1285

[redacted]

Partially Declassified/Released on 20 Aug 88
under provisions of E.O. 12356
by B. Reger, National Security Council

147

3. [redacted]

4. [redacted]

5. [redacted]

6. [redacted]

[redacted]

7. [redacted]

8. [redacted]

9. [redacted]

REVIEWED FOR RELEASE
27 March 87
NSG & SSO

UNCLASSIFIE

CIIN 1031

UNCLASSIFIED 75 908 ~~135~~ 857

Continuation page for DIR-670737C1285

[redacted]

C 1474

[redacted]

10. [redacted]

11. [redacted]

887

12. [redacted]

13. [redacted] TRAVELLING UNDER GREEK ALIAS-PASSPORT DEPARTED FOR LONDON 24 DEC 85 WHERE HE MAINTAINS A RESIDENCE; TWO OTH RESIDENCES ARE IN FRANCE. [redacted] PLANS TO RETURN TO HQS AREA F [redacted] TESTING ON 6 JAN 86.

14. [redacted]

REVIEWED FOR RELEASE
Date 27 March

UNCLASSIFIED

CIIN 1031

-887

75 9.8 ~~436~~

UNCLASSIFIED

[redacted]

C' 1471

85 9422096 ASO PAGE 001

TOT: 2[redacted] DEC 85 DIRECTOR 670754

~~SECRET~~

STAFF 27[redacted] DIRECTOR 670754

TO: IMMEDIATE [redacted]

SUBJECT: IDEN TO REF

REF: DIRECTOR 670737

1. IDEN IS: MANUCHEHR GORBANIFAR, AKA NIKOLAS KRALIS, DPOB 9 MAY 1945, TEHRAN, IRAN. BUSINESSMAN (IMPORT/EXPORT) IN PARIS.

2. FILE: [redacted]

DECL OADR DRV HUM 4-82. ALL SECRET.>

ORIG: [redacted] ; COORD: [redacted]

REL: [redacted] CL BY: [redacted] AUTH: [redacted]

END OF MESSAGE

~~SECRET~~

Partially Declassified/Released on 20 May 87 under provisions of E.O. 12356 by B. Reger, National Security Council

37 clb

REVIEWED FOR RELEASE
Date 27 March 87
HSC + SSC

CIIN 1030

UNCLASSIFIED

## EXHIBIT CG-46

**UNCLASSIFIED**

The Director of Central Intelligence
Washington, D.C. 20505

86-4068IR.-

26 November 1985

I 0400

MEMORANDUM FOR: Vice Admiral John M. Poindexter, USN
Deputy Assistant to the President
for National Security Affairs

SUBJECT: Presidential Finding on Middle East

Pursuant to our conversation this should go to the President for his signature and should not be passed around in any hands below our level.

William J. Casey

Attachment:
As stated

CL BY 0CC8C74
RVW OACR

~~TOP SECRET~~ [redacted]

3762

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
CG-46
46

**UNCLASSIFIED**

75 938 80 ~~138~~ UNCLASSIFIED [redacted]

## Finding Pursuant to Section 662 of the Foreign Assistance Act of 1961, As Amended, Concerning Operations Undertaken by the Central Intelligence Agency in Foreign Countries, Other Than Those Intended Solely for the Purpose of Intelligence Collection

0401

I have been briefed on the efforts being made by private parties to obtain the release of Americans held hostage in the Middle East, and hereby find that the following operations in foreign countries (including all support necessary to such operations) are important to the national security of the United States. Because of the extreme sensitivity of these operations, in the exercise of the President's constitutional authorities, I direct the Director of Central Intelligence not to brief the Congress of the United States, as provided for in Section 501 of the National Security Act of 1947, as amended, until such time as I may direct otherwise.

| SCOPE | DESCRIPTION |
|---|---|
| Hostage Rescue - Middle East | The provision of assistance by the Central Intelligence Agency to private parties in their attempt to obtain the release of Americans held hostage in the Middle East. Such assistance is to include the provision of transportation, communications, and other necessary support. As part of these efforts certain foreign materiel and munitions may be provided to the Government of Iran which is taking steps to facilitate the release of the American hostages.<br>All prior actions taken by U.S. Government officials in furtherance of this effort are hereby ratified. |

The White House
Washington, D.C.

Date: [illegible]

UNCLASSIFIED [redacted]

ER TS0183 85
CY___of___CYS

890

## EXHIBIT CG-47

UNCLASSIFIED

10 December 1985

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Director of Central Intelligence

1 0275

1. At the 1030 meeting today, Bud reported on his discussions over the weekend with Gorbanifehr in London. He did not have a good impression of Gorbanifehr and recommended that we not pursue the proposed relationship with him. [redacted]

2. Everybody supported this in our roundtable discussion. Other options which Bud had suggested were to let the Israelis go ahead doing what they would probably do anyway, and hope that we get some benefit [redacted] The President argued mildly for letting the operation go ahead without any commitments from us except that we should ultimately fill up the Israeli pipeline in any event, or the Congress will do it for us. He was afraid that terminating the ongoing discussions, as Bud had speculated they might, could lead to early action against the hostages. The trend of the succession of this was that it was a little disingenuous and would still bear the onus of having traded with the captors and provide an incentive for them to do some more kidnapping, which was the main burden of the argument against going forward on the program. [The President felt that any ongoing contact would be justified and any charges that might be made later could be met and justified as an effort to influence future events in Iran. I did point out that there was historical precedent for this and that was always the rationale the Israelis had given us for their providing arms to Iran.]

3. [redacted] The outcome was [redacted] we would maintain contact with any of the Iranians who turned up in this affair who are willing to do business on the basis of exchanging information and looking for ways to collaborate with respect to Iran's future.

4. As the meeting broke up, I had the idea that the President had not entirely given up on encouraging the Israelis to carry on with the Iranians. I suspect he would be willing to run the risk and take the heat in the future if this will lead to springing the hostages. It appears that Bud has the action.

William J. Casey

Partially Declassified/Released on ______ under provisions of E.O. 12356 by B. Reger, National Security Council

3763

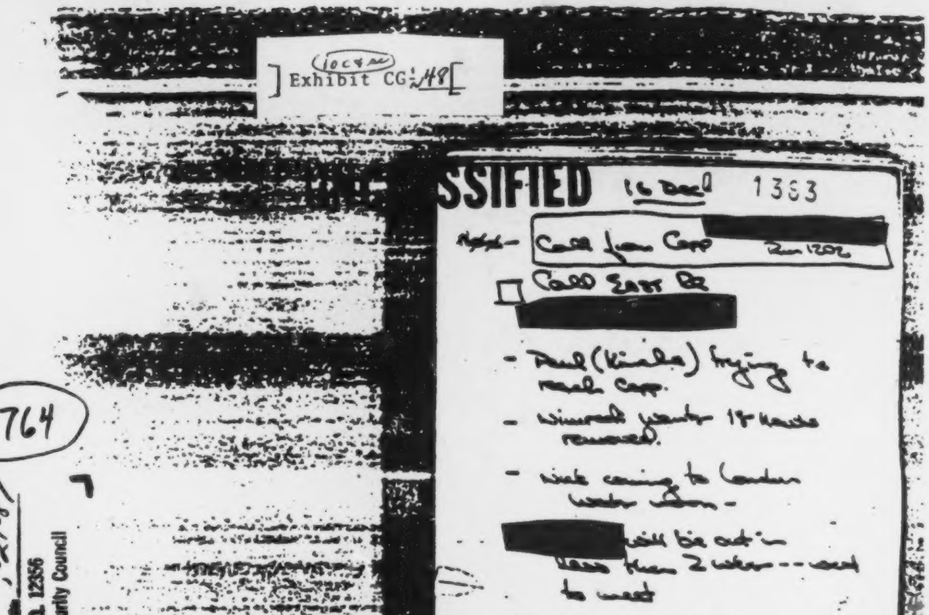
CL BY [redacted]
RVW OADR

UNCLASSIFIED

EXHIBIT
C. Smith

891 ~~444~~

## EXHIBIT CG-48



] Exhibit CG: 48 [ (10c&m)

3764

Partially Declassified/Released on 1-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

897

UNCLASSIFIED 16 Dec 1383

Notes - Call from Copp [redacted] Rm 1202

☐ Call East Br

[redacted]

- Paul (Kinda) trying to reach Copp.
- Nimrodi wants 18 hawks returned.
- Nick coming to London week after -

[redacted] will be out in less than 2 wks -- need to meet

☐ Call Kinda

[redacted]

☐ Weds announcement
- 2 Journalists [redacted]
- FAL Central Command
- Ammo, Radios

$30K/ -

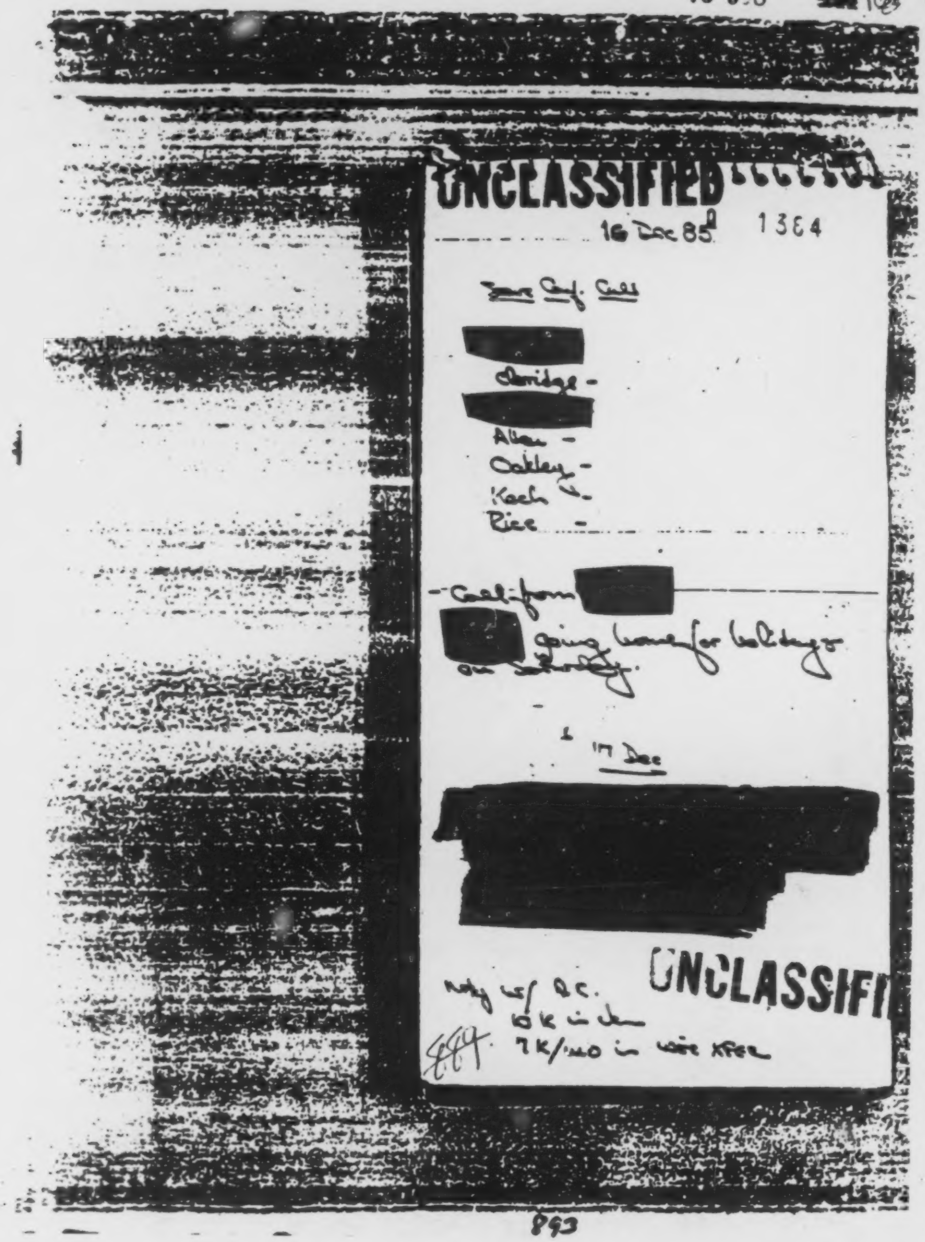
888

UNCLASSIFIED

EXHIBIT CG-48

892

73 9[illegible]8 ~~144~~ 1[illegible]



UNCLASSIFIED

16 Dec 85 1384

Secure Conf. Call

[redacted]

Clarridge -

[redacted]

Allen -

Oakley -

Koch -

Rice -

Call from [redacted]

[redacted] going home for holidays on Saturday.

17 Dec

[redacted]

UNCLASSIFI

Mtg w/ D.C.

10K in cash

7K/mo in wire xfer

## EXHIBIT CG-49

UNCLASSIFIED 86-4068E

Executive Registry
85- 5048

EXHIBIT
CG-49

MEMORANDUM FOR: Director of Central Intelligence

FROM: [redacted]
Chief, Near East [redacted] Division

SUBJECT: Meetings with Michael Ledeen/Manuchehr Ghorbanifar

1. On the afternoon of 21 December, Chief, [redacted] contacted Mike Ledeen to lay-on arrangements to meet Manuchehr Ghorbanifar (Subject). Ledeen advised that Subject would be arriving a day later than anticipated. He suggested we get together at 1100 hours 22 December to discuss our coming meeting with Subject.

I 0282

Meeting with Michael Ledeen

- During the 22 December meeting, Ledeen reviewed his relationship with Subject. He said about a year ago, he (Ledeen) had gone to the former National Security Advisor Robert McFarlane to discuss the need for an Iran policy. Ledeen suggested to McFarlane that he be authorized to contact the Israeli Government to see what could be done in conjunction with them. McFarlane authorized this contact and shortly thereafter Ledeen met Prime Minister Peres. Ledeen added that Peres was very enthusiastic about working with Ledeen and the U.S. Government on the Iranian problem and told him about their contact with Subject. Two Israeli officials, David Kimche and Jacob Nimradi, introduced Ledeen to Subject. Since then, he has seen Subject 20-30 times, often in conjunction with Kimche and Nimradi. It was from this contact that the operation developed to have the Israelis at our behest deliver to Iran 500 Tow missiles and, more recently, 18 Hawk missiles in exchange for the release of all the hostages held in Lebanon. Ledeen is convinced that the release of Reverend Weir was tied directly to the first shipment of missiles. Ledeen went on to say, however, that he never really expected the Iranians to deliver all the hostages given the "Iranian's merchant mentality."

- The delivery of the Hawk missiles has been an operational nightmare. There was a misunderstanding about the type of missiles the Iranians were seeking. They wanted a missile that could hit a

WARNING NOTICE
INTELLIGENCE SOURCES
AND METHODS INVOLVED

3765

~~440~~
894

CL BY [redacted]
DECL OADR
DERIVED FROM
HUM 4-82

CIIN #174/E 02

~~SECRET~~

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by [illegible], National Security Council

UNCLASSIFIED

target at seventy-thousand feet and already had Hawk missiles in their arsenal. What they thought they were going to get was a modified and advanced version of the Hawk. They are quite angry about the delivery of the missiles and have asked that they be removed from Iran as soon as possible. Their presence in Iran is politically troublesome to the Iranian hierarchy. They are now asking for Hercules or Phoenix missiles.

- Ledeen stated that at a recent high-level meeting which included the President, Secretary of State Schultz and Defense Secretary Weinberger a decision was made not to proceed with Ghorbanifar in an effort to release the hostages. Schultz and Weinberger reportedly were quite unhappy about this operation.

- As an aside, Ledeen noted they had purposely overcharged the Iranians and had used around $200,000 of these funds to support Subject's political contacts inside Iran. Later that same evening, Subject stated he was holding $40 million which the Iranians want returned.

I 0263

- Ledeen is a fan of Subject and describes him as a "wonderful man .... almost too good to be true." He had asked Subject to come to the U.S. to meet with us in order to straighten out his credibility and to find a way to keep the relationship going with him. The number one item in this latter area is his proposed Libyan operation. Ledeen said that when he learned of our Burn Notice on Subject, he contacted him in an effort to have him explain the situation (see Attachment A). He commented that Subject admitted lying to us, saying he could not reveal his source nor explain his relationship with senior Iranian officials. He felt we would not understand his relationship with the Iranian government. We suggested that perhaps a new polygraph would be useful given these latest revelations. He agreed to a polygraph to be conducted in the Hqs area on 6 January.

- In closing out this session, Ledeen made the point that any serious covert action operations directed against Iran using Ghorbanifar should be run out of the White House not CIA because "it will leak from Congress."

Meeting with Ledeen and Ghorbanifar

- At 2100 hours, we met with Ledeen and Subject at Ledeen's home. After a few pleasantries, we began to discuss Subject's reporting concerning the "Iranian hit team" which allegedly is

UNCLASSIFIED 73 0.8 144 ~~144~~

I 0284

presently [redacted] Subject also said he thinks they have been given authority to assassinate [redacted] He mentioned [redacted] as a secondary target. When we went over this a second time, he stated he is certain that [redacted] is the target. [redacted] Subject was fairly reluctant at this meeting to identify this source. However, at the meeting on the afternoon of 23 December, he identified his source as [redacted] This is the same source who provided the false information last March concerning an alleged Iranian plan to assassinate Presidential candidates which did not hold up during Subject's polygraph (see Attachment E).

[redacted] (Comment: Subject's reporting on this team is very reminiscent of his previous terrorist reporting which, after investigation and polygraph, turned out to be fabricated. It is our feeling there are bits of valid information in Subject's reporting but he has embellished and projected his own feelings in presenting this information as hard fact. This has been a presistant problem throughout the four years we have known him. His reporting has sometimes been useful but it is extremely difficult to separate the good from the bad information. It is hard to find in the file any instance where his reporting in fact resulted in a solid development.)

~~897~~

UNCLASSIFIED

UNCLASSIFIED 75 9 8 ~~145~~

I 0285

- Subject had no additional information to add at this time other than the fact that this operation is not directed by [redacted]

- At this point in the discussion, we shifted to his views on the current divisions within the Iranian Government. He described them as:

line one - rightist;
line two - hardline;
line three - balancers.

He said that he would like to modify his earlier reporting (Attachment B). He believes "line two" and "line three" are now working more closely than in the past. His reporting on this is not very substantive and did not bring forward any really new information. He said he is working closely with the "rightist line" [redacted] He said that the "rightist group" is not easily discernable because of the physical danger associated with openly opposing the government. Because they are not "visible", it is difficult to measure their strength within the Armed Forces, Revolutionary Guard, Bazar, etc. [redacted]

- At this point, he provided us with a 13-page Farsi document [redacted] analysis of the Islamic Jihad. He said there is new information and details in this document which our analyst will find very useful. (Comment: While we are having the document fully translated, the translator's early impression is that the document [redacted] does not reveal any new information). Subject went on to say that he could put us in touch with [redacted] whom he describes as [redacted] supposedly would be willing to answer all of our questions provided we give Subject three guarantees:

- There would be no harm done to [redacted]
- That we would coordinate all our efforts with Ghorbanifar and;
- That we would support [redacted] to become [redacted]

UNCLASSIFIED ~~243~~

He added that this guarantee would have to come from the Director of CIA. He described [redacted] as being in charge of purchasing weapons for Iran. When asked what support [redacted] is looking for, Subject replied that we should help him be effective in his job. (Comment: What we are talking about here is facilitating [redacted] arms purchasing efforts. We told him we would review his report carefully and get back to him with additional requirements. It is noteworthy that Ghorbanifar's contact with [redacted] is very recent and he only raised the idea of cooperation with [redacted] one week ago.)

B

- At that point, we reviewed his relations with [redacted]). Subject said he has known [redacted] for 2-1/2 years and has developed a good personal relationship with him. He described [redacted] as a 'hard-line fundamentalist' who is loyal to the Regime. He said [redacted] position within the [redacted] office. [redacted] Subject said that he provides [redacted] with information which [redacted] has used effectively in enhancing his position. Ledeen interjected the observation that subject has actually 'made' [redacted] by his efforts in delivering missiles to the Iranians [redacted] is disliked by his competition [redacted]

B

- Subject said that because of the negotiations concerning the exchange of the hostages for missiles, there has not been a terrorist act directed against the USG since July. He implied that this might change now that the negotiations have broken off.

- Finally, we discussed his proposed Libyan operation (Attachment D). He reiterated that Qadhafi is very much interested in assassinating Muhammad ((al-Mugarieff)), Libyan opposition leader. [redacted] In essence, Subject is proposing a sting operation in which the Libyans would provide $10 million in exchange for al-Mugarieff's demise. Subject believes he would be able to extract these funds from Qadhafi [redacted] stage his disappearance. He

UNCLASSIFIED

0287

believes that when al-Mugarieff reappears, it would have a devastating impact on Qadhafi's image. He proposed using the funds ($10 million) obtained from Qadhafi for joint operations against the Iranians or any other target we are interested in. [redacted] Both Subject and Ledeen made a strong pitch for a decision on the operation as quickly as possible. We told him that we would review the operational proposal and get back to him quickly. [redacted]

- Subject plans to travel to London on 24 December to be with his family for 2-3 days. He has agreed to return on 5 January to undergo a polygraph scheduled for 6 January.

- Around 2330 hours NSC staffer, Ollie North, dropped by to say hello to Subject and to talk with him about the problem of retrieving the missiles from Iran. We departed at 2400 hours and it was arranged to get together on the afternoon of 23 December to discuss further some of his ideas. (Comments: This latter meeting took place as scheduled and the new information obtained during this session is folded into this report -- specifically arranging the date for a polygraph and the identification of [redacted] as his source of terrorist activities in Europe.).

- Subject is registered at the Madison Hotel in alias, Nicholas Kralis.

~~45~~ 899

UNCLASSIFIED

## Exhibit CG-50

UNCLASSIFIED

MEMORANDUM FOR THE RECORD

I 0601

SUBJECT: Ghorbanifar Polygraph Examination

On the afternoon/evening of 11 January 1986, Ghorbanifar underwent a polygraph examination. He showed deception on virtually all of the relevant questions. He has lied/fabricated his information on terrorist activities and has tried to mislead us concerning his relationship with the [redacted] line inside Iran. He also has distorted [redacted]'s role in Islamic Jihad. Moreover, Ghorbanifar was tested on his involvement in the deal to release the hostages. The test indicated that he knew ahead of time that the hostages would not be released and deliberately tried to deceive us both independently and with [redacted] S

Ghorbanifar provided new information concerning an alleged terrorist plan to attack U. S. interests in [redacted] He was also tested on this information and was shown to be lying.

It seemed clear from Ghorbanifar's behavior that he realized that the polygraph test indicated deception. While he commented during the test that he was comfortable with all of the test questions, he said that perhaps the machine might indicate some problems on a series of questions concerning [redacted] and the rightists inside Iran. He said he had been told by "White House representatives" not to discuss this topic with CIA because the operation was "too far advanced" and if CIA were involved "it would require Congressional briefings." He went on to add that he has supposedly expended $800,000 of his own funds for this purpose and has been assured by these "White House representatives" that he will be reimbursed for these expenditures. (Comment: The polygraph operator stated that Ghorbanifar's explanation/rationalization would not influence the test results on the questions being asked in connection with [redacted] and his supporters).

In discussing the hostage deal, Ghorbanifar stated he was very comfortable with the questions asked. During one of the breaks in the testing, he commented that the Israelis received the $24 million as soon as the shipment was delivered and they are holding all of the funds that the Iranians are requesting be returned. He added that the Israelis told him that they had

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by N. Menan, National Security Council

3766

EXHIBIT
CG-50
52

WARNING NOTICE
INTELLIGENCE SOURCES
AND METHODS INVOLVED

CL BY ________
DECL ________
DERIVED FROM ________

900

CIIN #178/S 01

UNCLASSIFIED

UNCLASSIFIED 75 938

"doubled" the cost of the shipment apparently because the Americans were involved. He said the Iranians were very upset about the last shipment and might resort to terrorist activities against U. S. interests. He remarked the Iranians have been refraining from these terrorist activities since the negotiations began.

0602

Ghorbanifar is clearly a fabricator and wheeler-dealer who has undertaken activities prejudicial to U. S. interests.

Neither Ghorbanifar nor Ledeen have been advised about the results of the test. Michael Ledeen asked that he be informed about the results of the test as soon as possible. He was called on the morning of 12 January and told that the polygraph operator will be reviewing the results on Sunday and we should have feedback about the test on 13 January.

901

~~897~~

UNCLASSIFIED

UNCLASSIFIED

## COMMENTS ON GHORBANIFAR'S POLYGRAPH

1. Ghorbanifar has been polygraphed by the Agency on three occasions. Each test showed deception on the relevant questions. In March 1984, he fabricated information concerning an assassination plot against the U. S. presidential candidates. On 14 June 1984, he was polygraphed concerning information he allegedly had concerning the whereabouts of the U. S. hostages held in Lebanon. All the Agency officers and [redacted] involved with Ghorbanifar over the years have recommended that our relationship be terminated with him. A burn notice was issued on him in 1984.

0803

2. In his most recent polygraph on 11 January 1986, the examination showed deception on all of the relevant questions; specifically he

(a) Lied/fabricated his information on terrorist activities;

(b) Tried to mislead us concerning his relationship with the "rightist line inside Iran";

(c) He distorted the leadership role of [redacted] [redacted] inside Islamic Jihad;

(d) He showed deception on the question of whether he was under the control of the Iranian Government.

The test also indicated Ghorbanifar knew ahead of time that the hostages would not be released despite our providing missiles to the Iranians. He deliberately tried to deceive us on this issue both independently and with the collusion of [redacted] B [redacted]

902
~~744~~

UNCLASSIFIED

UNCLASSIFIED 75 938 [illegible]

part of
Exhibit CG-50
page 1 - 0604

deleted in its
entirety

~~899~~ 903

UNCLASSIFIED

## EXHIBIT CG-51

UNCLASSIFIED

Allen Ex. 26

The Director of Central Intelligence
Washington, DC 20505

DO NOT REPRO

National Intelligence Council

NIC 00473-86
29 January 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Interview with Subject

Subject's Relationship with CIA

1. On Monday, 13 January 1986, I spent five hours with Subject, an Iranian national who has had sensitive contacts with senior officials of the National Security Council. I met with Subject at the request of the DCI in order to assess Subject's access to Iranian Government leaders and to obtain from him information that he claims to possess on terrorist networks. The DCI request came after Subject had failed a polygraph examination administered by the Agency two days earlier. The purpose of meeting with Subject was to obtain a general overview of the information he possesses, not to conduct a detailed debriefing.

2. Prior to discussing specifics, Subject stated that he wanted to explain his prior relations with the Agency, which he termed as "most unsatisfactory." He stated that he cooperated with Agency officials from 1980 to 1982 but, because CIA only wanted to use him as another source, he decided to cut off all contact. He stated that he does not want "to be an employee," noting that he is "a turn-key project man." He claims that he never requested funds from the Agency but that his only interest in cooperating with it was to find support to change the extremist nature of the hardline clerical regime of Ayatollah Khomeini. He claims to have suffered as a result of his breaking off with the Agency because CIA informed [redacted] that Subject was not to be trusted. As a consequence, Subject stated that he "retaliated" by ensuring that some of his Iranian contacts stopped their relationship with CIA or that they fed the Agency false information.

3. [redacted]

CL BY [redacted]
DECL OADR

Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

3767

~~900~~ 904

EXHIBIT
CG-51

UNCLASSIFIED

A-7

UNCLASSIFIED

4. In essence, Subject stated that he was requesting "a more principled" approach towards him by the Agency. His major reason in asking for a relationship with CIA was to seek its support in a long-term effort to modify the Khomeini regime which, through its radical, fundamentalist policies, could open Iran to Soviet influence or even direct intervention. In Subject's view, Iran must align itself with the West. The United States must lead the effort to preclude the Soviets from controlling Iran. Subject stated that he can assist because he is secretly part of the conservative "Line One" faction in Iran that opposes the "Line Two" group which vehemently supports a fundamentalist Islamic Iran and favors its export to other Islamic countries. In cooperating with the Agency, Subject stated that "he and his organization" would pay for the operations they conduct. Once, however, he and his group have completed a major operation with Agency support and endorsement that, for example, "saves the life of the Crown Prince of Bahrain," he would expect that his organization would receive "substantial sums of money" (i.e. millions of dollars) in return from [redacted] The funds would be used to support his group and to advance the cause of Line One.

Areas of Possible Cooperation

5. Subject stated that he wished to work with the US Government and CIA in a number of areas. Clearly, the US hostages held in Lebanon were a high priority. He would continue to work with the White House on this issue; this effort would be kept separate. A second area would be to assist the West in blunting Iranian terrorism. A third area would be working with the Agency to thwart Libyan and Syrian-sponsored terrorism and to assist in the overthrow of Libyan leader Qadhafi.

6. On the first two areas, Subject stated that some issues were interrelated: hostages and the future course of Iranian terrorism directed at the United States. He claimed that [redacted] Prime Minister Mir Hosein Musavi-Khamenei, and Minister of Oil Gholam Reza Aqazadeh "will lose face" soon unless arrangements again proceed for the United States to supply arms through intermediaries (i.e. Israel) to Iran. All three Iranians have told President Ali Khamenei that the United States is willing to provide sophisticated US arms to Iran in return for Tehran's promise to secure the release of US hostages held in Lebanon. [redacted] Musavi-Khamenei, and Aqazadeh had assured Khamenei and other senior Iranian officials that a long-term relationship with the United States was being developed. As a consequence, Tehran ordered Iranian terrorist elements to cease attacking US personnel or facilities. In fact, no attacks sponsored by Iran have occurred against the US for seven months. Subject stated that "the Islamic Jihad Organization (IJO)" would strike soon unless a new understanding was reached, perhaps as early as 24 January.

7. Subject stated that he had convinced the Prime Minister and the Minister of Oil to trust the United States with Israel acting as an intermediary. Iran had shown "good faith" by paying in advance of arms deliveries in November. When the goods (Hawk surface-to-air missiles) arrived in late November, they were "an old model," costing four times the price "originally" agreed upon. The Hawk missiles are still at Tehran International Airport, awaiting pickup for return to the West. The Prime Minister and others believe they "were cheated." In fact, nine of the 18 Hawks have the

what about the figure 1000?

UNCLASSIFIED

4et 905

UNCLASSIFIED

Star of David inscribed on them. Subject stated that he has told the Prime Minister that, unless agreement with the United States is reached by 24 January, he would no longer wish to serve as an intermediary in dealing with the United States.

8. As far as his personal situation was concerned, Subject expressed no serious concern. Musavi-Khamenei, [redacted] and Aqazadeh all owe Subject substantial sums of money. [redacted] moreover, has been photographed in compromising situations with Western women, an activity that would finish him with the Khomeini fundamentalist government were it to become known. Even though all three individuals are identified with Line Two and have blood on their hands, he has no fear of them. What concerns Subject is that, if talks break down with the United States, widespread terrorist activity will ensue.

9. Subject stated that the Prime Minister was ready to accept US assistance, military advice, and an unofficial US presence in Tehran but then the "cheating thing" occurred in late November to Musavi-Khamenei's dismay. The original plan was for Iran to try to deliver not only the five US hostages but the two Jewish ones as well. A "terrorist war" may now ensue. Subject spoke of activism by Shiites in Pakistan as being a particularly worrisome source of potential terror against US interests. The Iranian Revolutionary Guard Corps (IRGC) can exert control over the Shiite captors of the Americans. All that is required for the Americans to be freed is for Prime Minister Musavi-Khamenei to issue an order and the IRGC will secure their release.

10. Subject stated that the issue of the hostages could go either of two ways. Musavi-Khamenei, [redacted] and Aqazadeh could ensure the hostages are killed if no agreement with the United States occur. Conversely, they could ensure release of the hostages if proper agreements are reached. Subject noted that he feared the Soviets would attempt to take advantage of the current factionalism within the Iranian regime. For example, the second highest ranking official in the Ministry of Foreign Affairs (MFI), may be sympathetic to the Soviet Union. The United States would be wise not to let this happen; cooperation was essential to ensure that Iran moves towards a more moderate course.

11. [redacted]

12. [redacted]

13. [redacted]

Iranian Terrorism

14. Subject stated that he had four sources of information on terrorism emanating from Iran. His first source was, of course, [redacted] He maintains direct contact with [redacted] who runs a terrorist net of 20-30 people. [redacted] is an extremely dangerous individual but Subject can control him. In fact, Subject has paid [redacted] large sums of money and has information by which he could blackmail [redacted] if necessary.

15. The second Iranian source of Subject's is [redacted]

16. The third connection that Subject has with individuals with access to Iranian terrorist activities are two Iranians [redacted]

17. Subject stated that his fourth link to Iranian terrorism is [redacted]

UNCLASSIFIED 75 978 ~~158~~ 153

18. [redacted]

19. [redacted]

20. [redacted]

21. [redacted]

22. [redacted]

23. Subject stated that his current relationship with [redacted] is to assist the latter with procurement of arms for Line Two. He claimed to have assisted [redacted] in obtaining arms from [redacted]. In one instance, a plane load of weapons was held [redacted] but Subject intervened to get the plane released for transit on to Tehran. [redacted] was grateful for this accomplishment.

24. Subject related a number of instances where he had intervened to assist Iranians in difficulty with the Khomeini regime and where they are indebted to him. [redacted]

UNCLASSIFIED

SECRET/NOFORN/NOCONTRACT/ORCON

UNCLASSIFIED

[redacted]

25. [redacted]

The Syrian Connection: [redacted]

26. Subject claims that both Syria and Poland support Iranian terrorist networks through the supply of arms. [redacted]

27. [redacted]

28. [redacted]

29. [redacted]

UNCLASSIFIED

UNCLASSIFIED 75 9 8 [illegible]

[redacted]

30. [redacted]

31. [redacted]

32. [redacted]

33. [redacted]

__IRGC Activities__

34. [redacted]

SECRET/NOFORN UNCLASSIFIED ~~9ll~~ 910

UNCLASSIFIED

[redacted]

36. The IRGC has developed a contingency plan for the invasion of Bahrain should it become necessary. [redacted]

37. [redacted]

38. In closing, Subject reiterated his willingness to work with the US government, not as a controlled agent, but as an individual who controls key assets inside and outside Iran that wish significant change in the government and needs US support. Subject made it clear that he and "his organization" wished to be reimbursed for services rendered in thwarting terrorist acts. For example, he stated that [redacted] should provide him with handsome rewards (i.e., millions of US dollars) if he is able to warn of and assist in the prevention of attacks on Gulf state leaders. [redacted]

39. Comment: Subject is a highly energetic, excitable individual who possesses an extraordinarily strong ego that must be carefully fed. Intelligent and clearly an individual who has made a considerable amount of money in procurement of arms and in provision of "other services", he is relatively straight forward about what he hopes to get out of any arrangement with the United States. He deeply resents "his treatment" by the Agency in the 1980-82 timeframe and frequently speaks scornfully of a woman with the name of "Lucy" from the US Embassy in London who met with him at that time. A personable individual, he also consistently speaks of his love of Iran and the need to change the composition of the current government there. It is difficult to gauge just what Subject's "organization" consist of but he appears to have influence over or business arrangements with a substantial

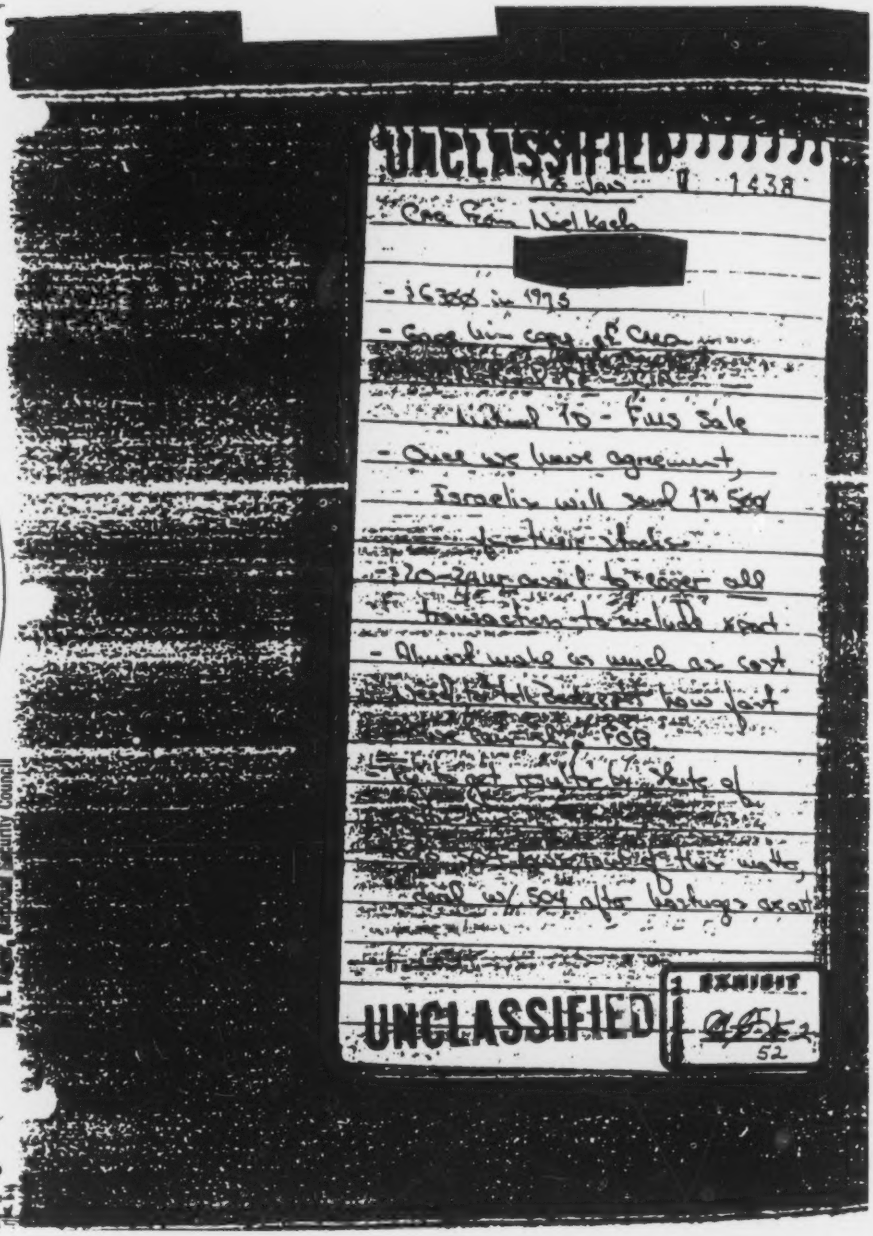
UNCLASSIFIED

number of individuals in the Middle East and Europe and inside Iran itself. We have hard evidence that he is close to the Prime Minister, the Minister of Oil, and other senior officials like [redacted] There is no question, however, that he exaggerates and inflates for his own reasons some of his relationships. He is impatient if one tries to pin him down on the specifics of some of the complex plots that he describes. For this reason, the best strategy is to go back over details in a series of meetings so that all aspects of the plot can be determined. This indirect approach takes time but builds rapport with Subject. The worst approach to Subject would be to attempt to lecture him.

Charles E. Allen

Charles E. Allen

EXHIBIT CG-52



UNCLASSIFIED

13 Jan 1438

Call from [illegible]

[redacted]

- $6300 in 1975
- Gave him copy of CIA

[redacted]

Without TO - Fits Sale

- Once we have agreement, Israelis will send 1st 500 of their stocks
- 320-240 avail to cover all transactions to include xport
- Almost make as much as cost.

[redacted] how far

[redacted] FOB

- To get [illegible] by date of

[redacted]

[illegible] of their mtg, deal w/ 504 after hostages are out

[redacted]

UNCLASSIFIED

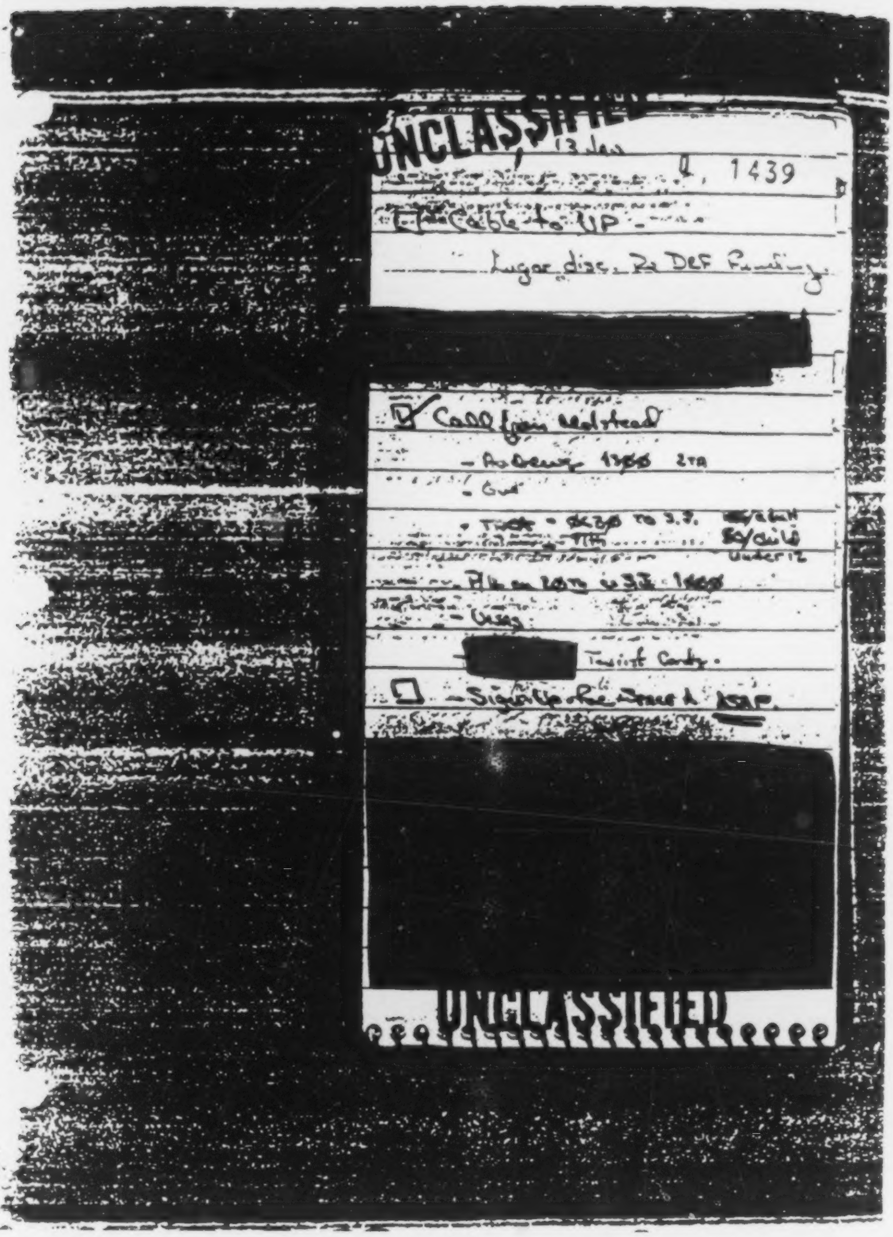
EXHIBIT

~~[illegible]~~ 52

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by L. Reger, National Security Council

376P

~~CR4~~ 913



UNCLASSIFIED

13 Jan

1439

☐ Cable to UP –

Lugar disc. Re DEF Funding.

[redacted]

☑ Call from Halstead

– Andrews 1300 2nd

– Gvt

• TACA – 0630 to S.J. [illegible]/adult
7th $0/child Under 12

– PM on 10/13 to S.J. 1400

– Visas

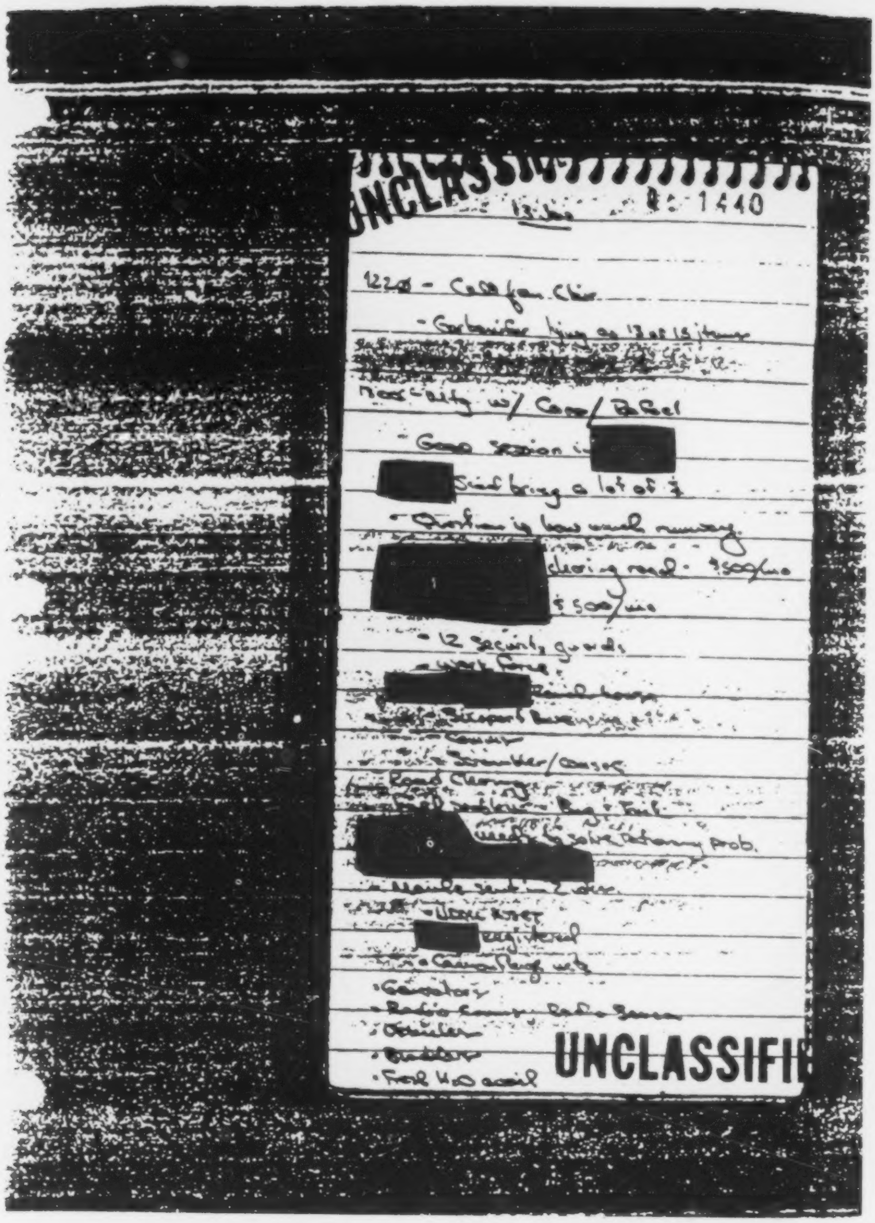
[redacted] Tourist Cards.

☐ – Sign Up Re [illegible] to NSP.

[redacted]

UNCLASSIFIED

4



UNCLAS

13 Jan 1440

1220 - Call fm Clair

- Gorbanifar lying on 13 of 15 items

~~[illegible]~~

1400 - Mtg w/ Cave/[illegible]

- Good session in [redacted]

[redacted] Said bring a lot of $

- Problem is how much money

[redacted] clearing road - $300k/mo

$500/mo

- 12 security guards

- Work force

[redacted] [illegible]

- [illegible] [illegible]

- Convoy

- [illegible]

- Road Clearing

- [illegible] - Rug + Fuel

[redacted] need to solve [illegible] prob.

- [illegible] sent in 2 dec.

- [illegible]

[redacted] registered

- Camouflage w/3

- Generators

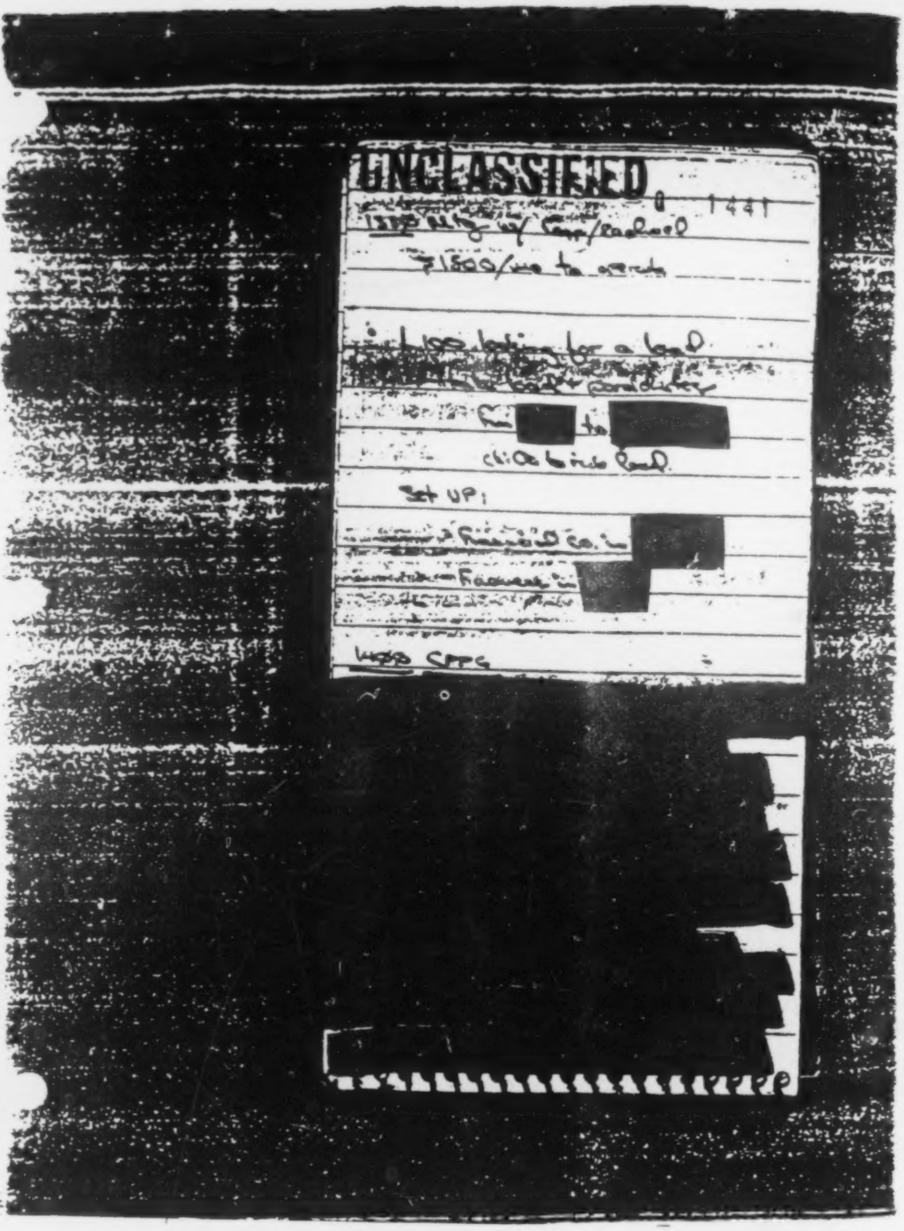
- Radio Comms - Radio Beacon

- [illegible]

- [illegible]

- Fresh H2O avail

UNCLASSIFI



UNCLASSIFIED

0 1441

1330 Mtg w/ [illegible]/Rachel

$1500/mo to [illegible]

[illegible] was looking for a [illegible]

[illegible] condition

[illegible] from [redacted] to [redacted]

[illegible] [illegible] load.

Set UP:

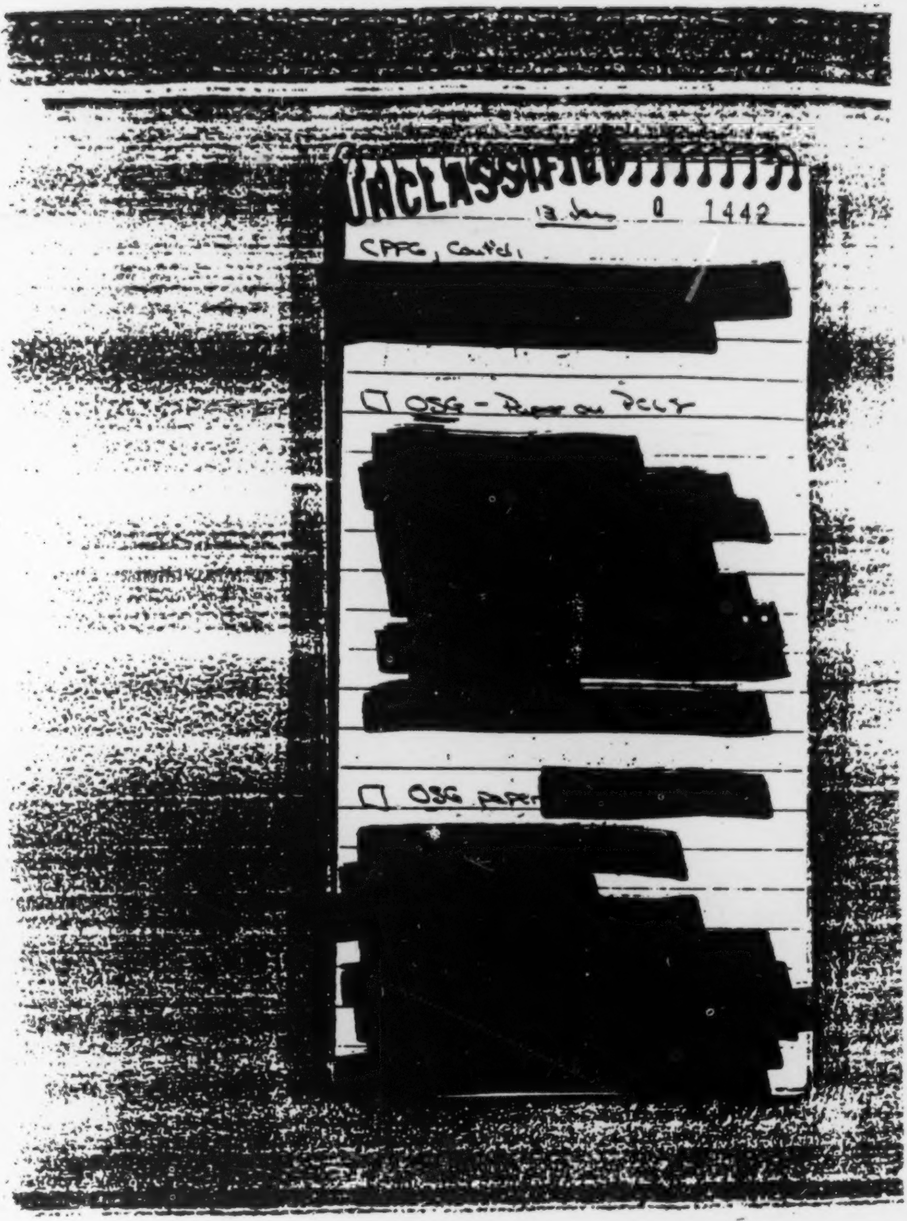
[illegible] financial co. in [redacted]

[illegible] finance in [redacted]

[illegible]

1400 CPPG

UNCLASSIFIED



UNCLASSIFIED

13 Jan 0 1442

CPPG, Cont'd.

[redacted]

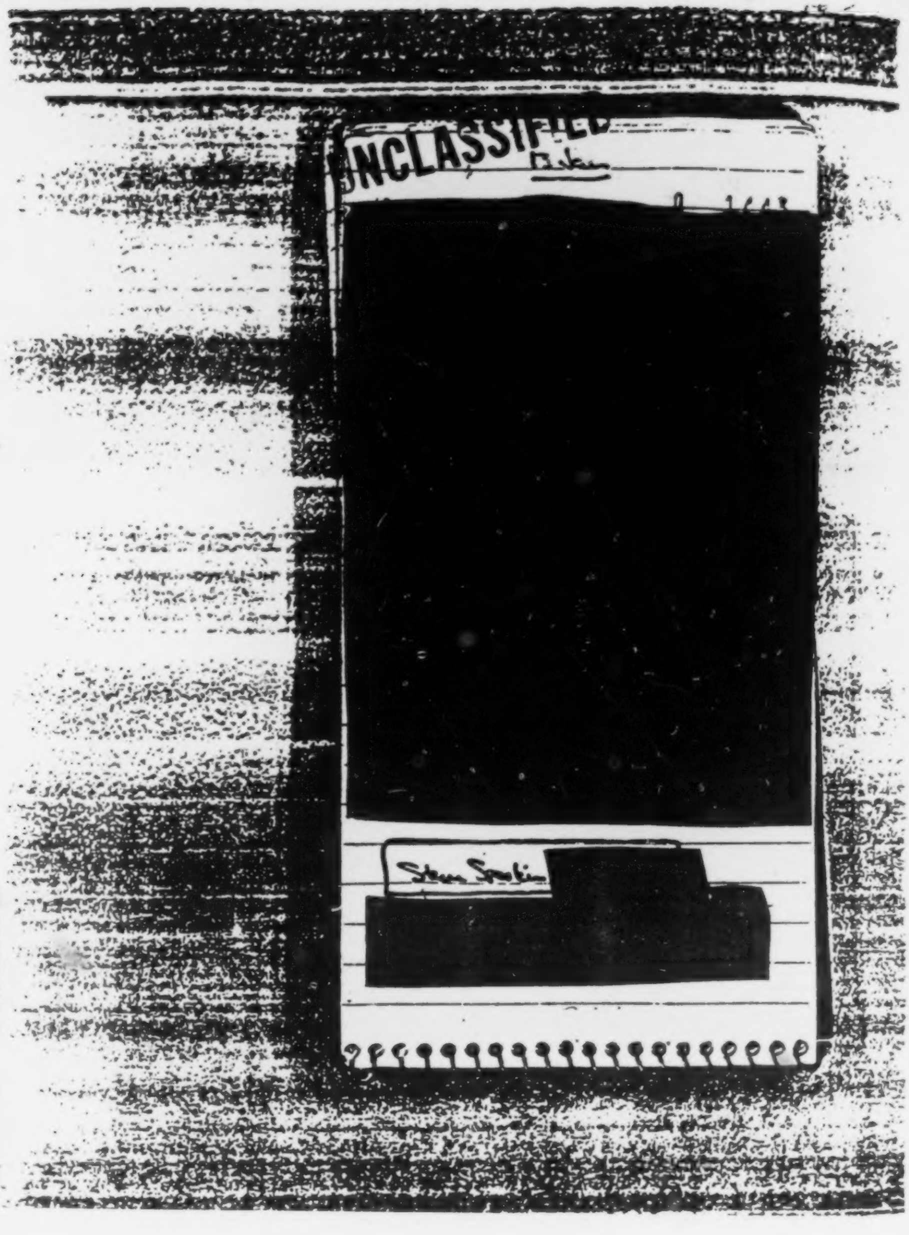
☐ OSG – Paper on DCL

[redacted]

☐ OSG paper [redacted]

[redacted]

UNCLASSIFIED



UNCLASSIFIED

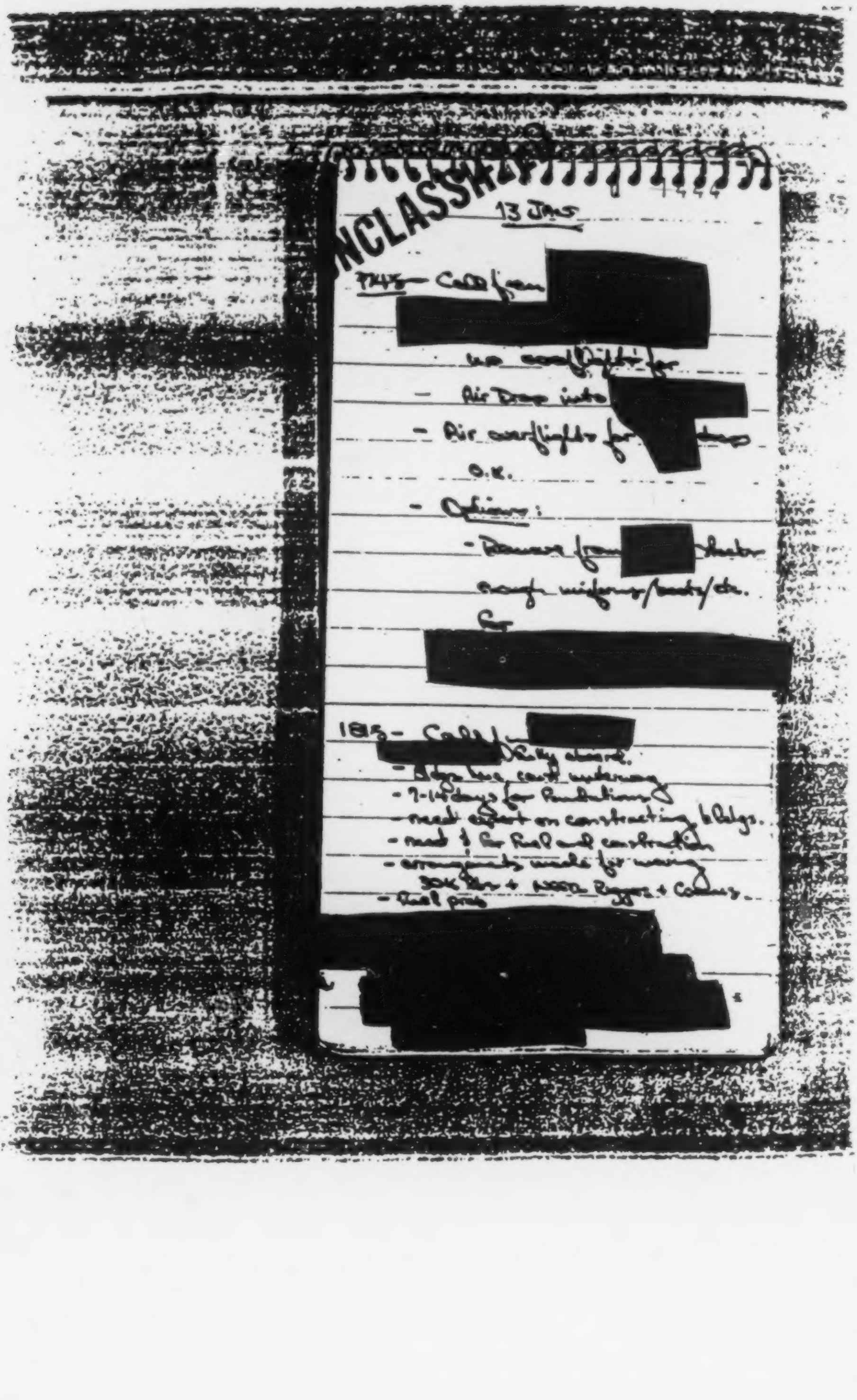
Baker

0 1/13

[redacted]

Steve Spalkin [redacted]

UNCL SSIFIED



UNCLASSIFIED

13 JAN

0745 — Call from [redacted]

no overflights for

- Air Drop into [redacted]
- Air overflights for [redacted] days
  O.K.
- Options:
  - Recover from [redacted] [illegible]
    enough uniforms/boots/etc.
    for [redacted]

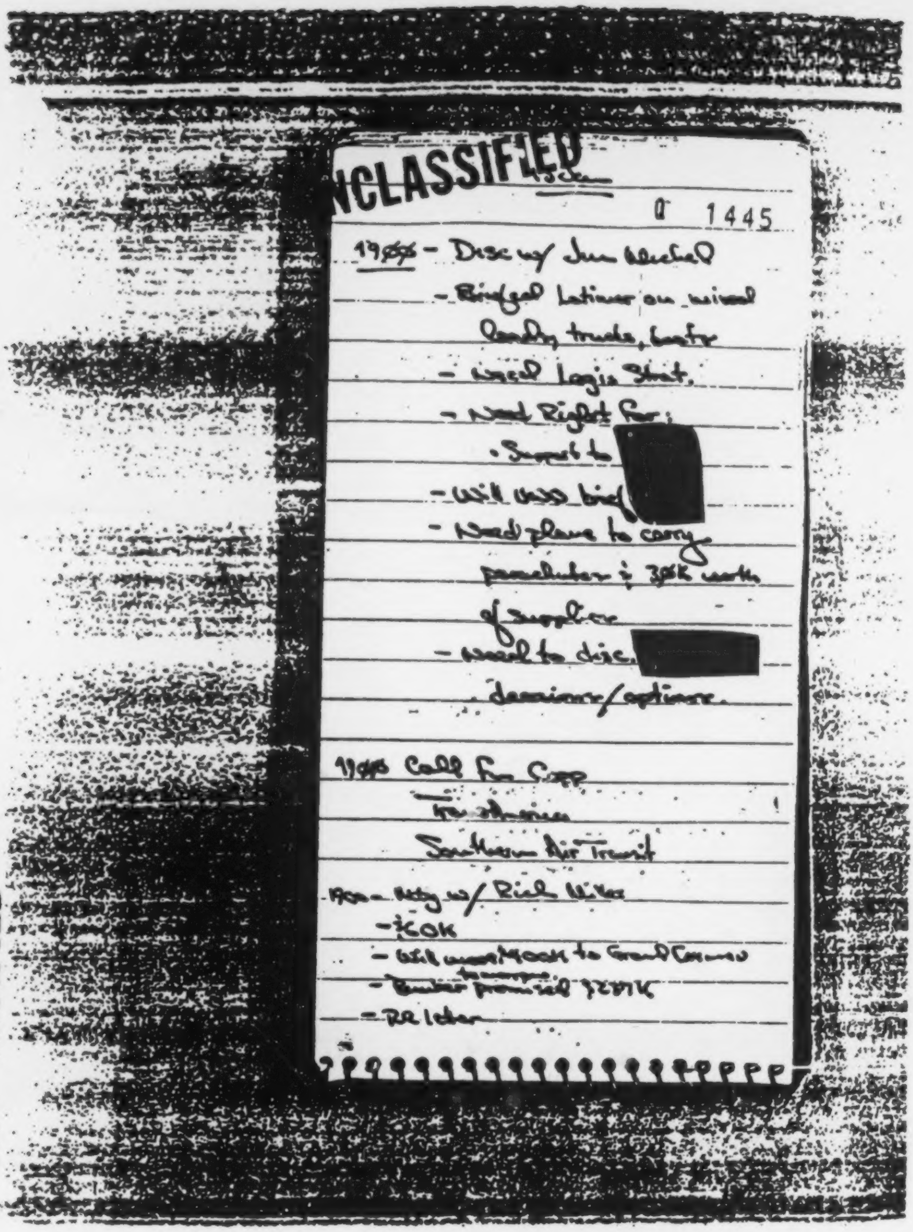
1815 — Call from [redacted]

[redacted] fully cleared.

- 3 days [illegible] underway
- 7-14 days for foundations
- need expert on constructing bldgs.
- need $ for fuel and construction
- arrangements made for moving
  30K lbs + 1000 Riggers + Comms
- Fuel price

[redacted]

UNCLASSIFIED



NCLASSIFIED

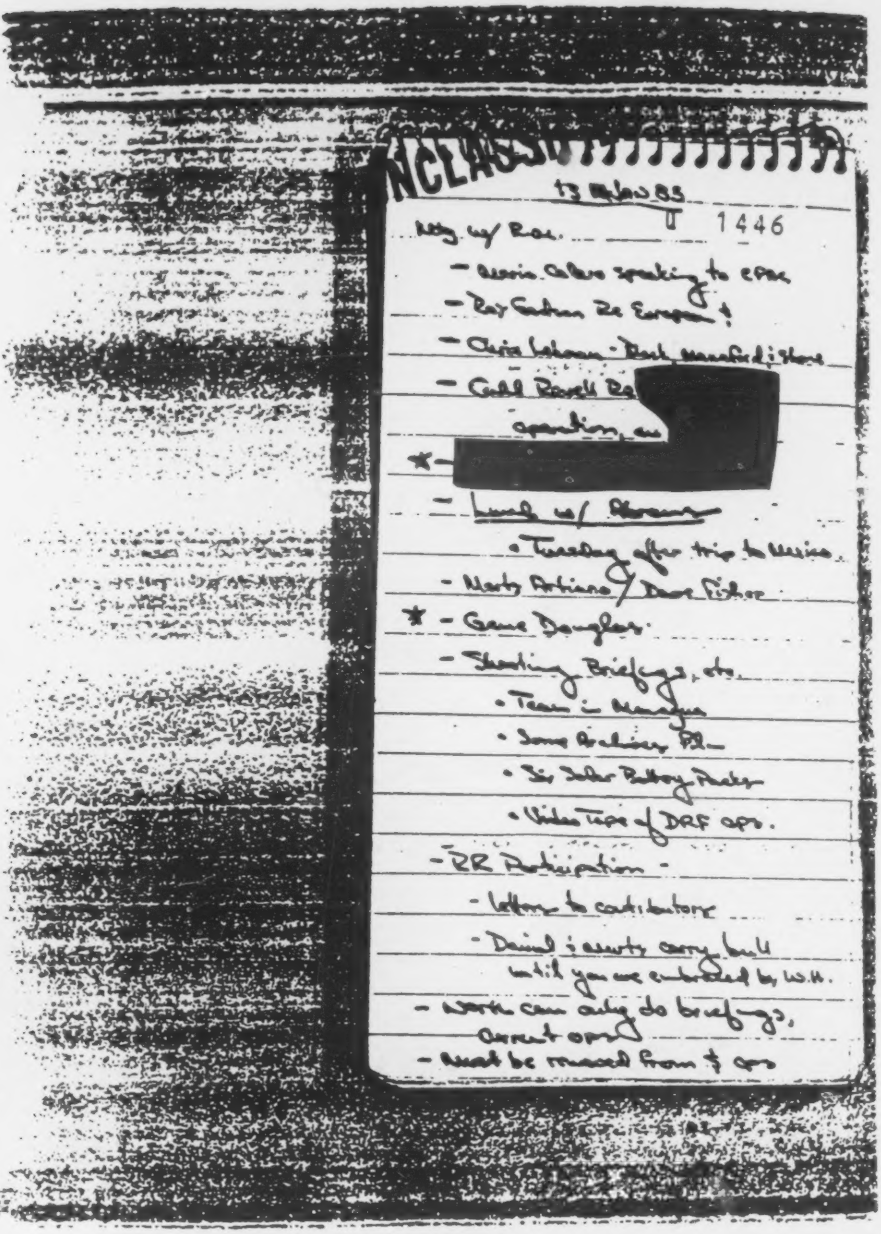
Q 1445

1900 - Disc w/ Jim [illegible]
- Briefed Latimer on mixed loading trucks, boats
- need Logis Stat.
- Need Right for:
  - Support to [redacted]
- Will UNO brief [redacted]
- Need plane to carry parachutes & 30K worth of supplies
- need to disc. [redacted] decisions/options.

1940 Call from Corr
Transamerica
Southern Air Transit

1930 - Mtg w/ Rich Miller
- $60K
- Will wire 400K to Grand Cayman
- Banker promised 328K tomorrow
- RR letter

UNC' ASSIFIED



UNCLASSIFIED

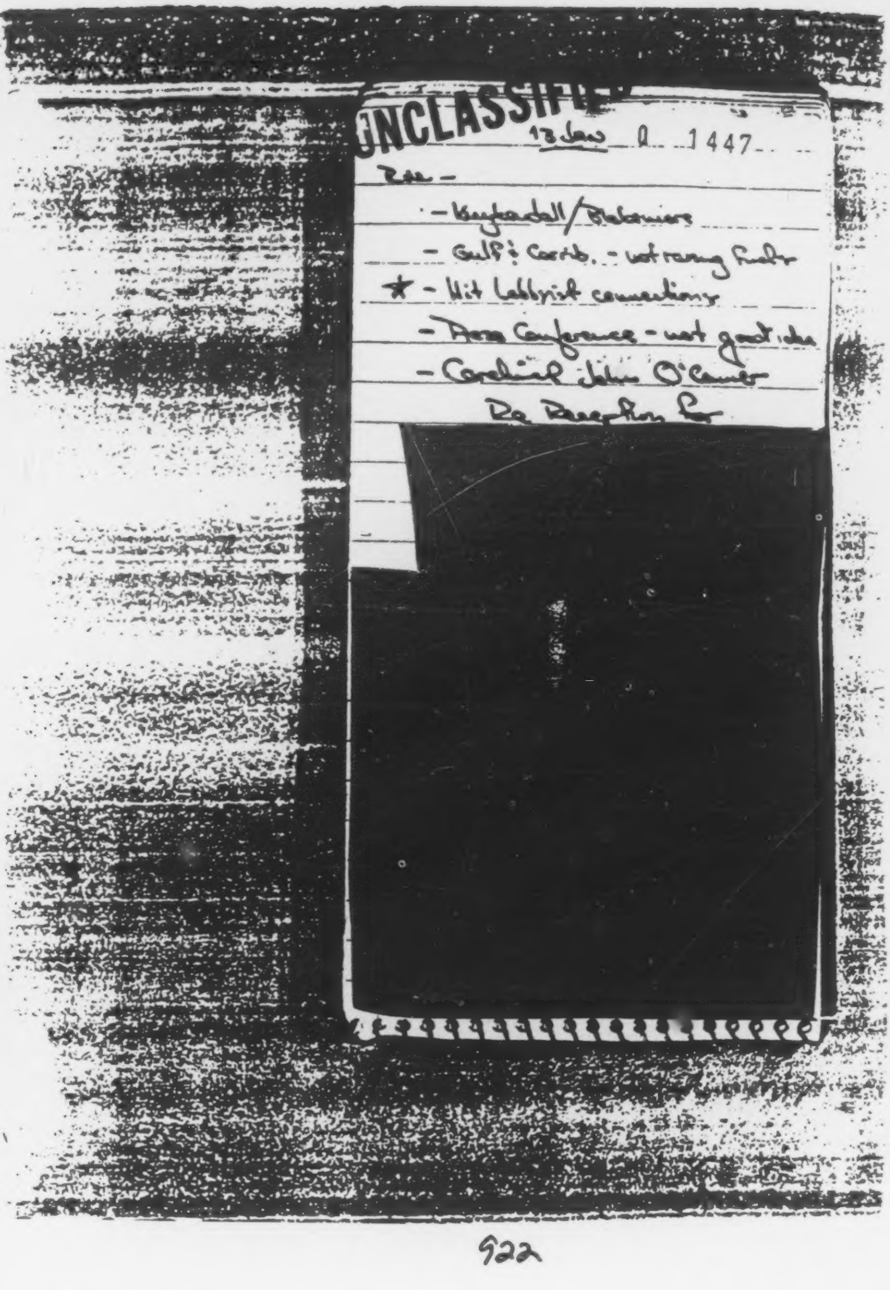
13 Nov 83

U 1446

Mtg w/ Rae.

- Dennis Cohen speaking to CPAC
- Roy Godson Re Europe !
- Chris Lehman - Back mem fed & store
- Call Revell Re [redacted]
  operation, an
- * -
- Lunch w/ Abrams
  - Tuesday after trip to Mexico.
- Marty Artiano / Dave Fisher
- * - Gene Douglas.
- Starting Briefings, etc.
  - Team in Managua
  - Some Activist PR -
  - Sir John Bellamy Parks
  - Video Tape of DRF ops.
- RR Participation -
  - Letters to contributors
  - Denial & assets carry ball until you are embraced by W.H.
- North can only do briefings, current ops
- Must be removed from ops

UNCLASSIFIED



UNCLASSIFIED

13 Jan 1447

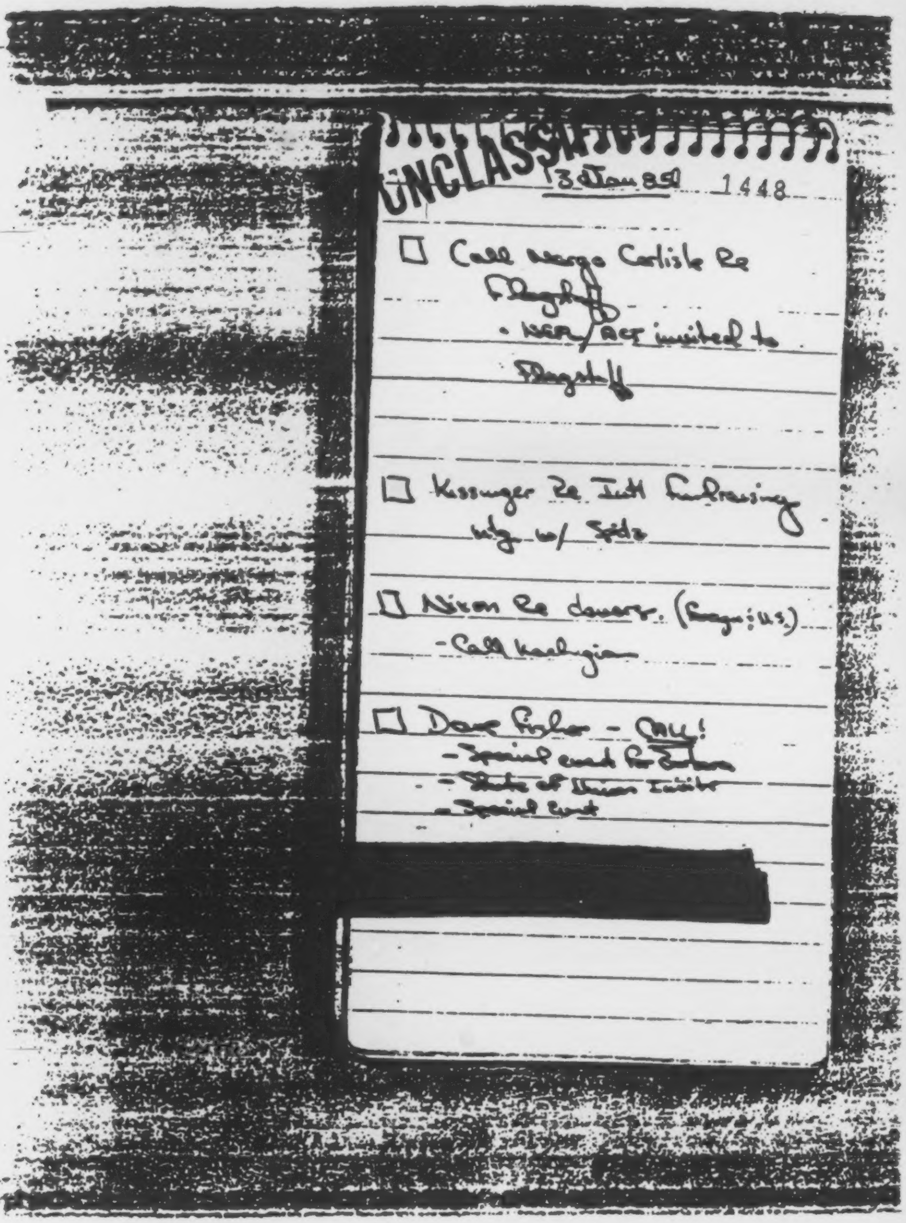
Rex –

- Kuykendall/Blakemore
- Gulf & Carib. – not raising funds
- ★ – Hit lobbyist connections
- Press Conference – not good idea
- Cardinal John O'Connor
  Re Reception for

[redacted]

922

UNCLASSIFIED



UNCLASSIFIED

13 Jan 85 1448

☐ Call Margo Carlisle Re Flagstaff
- NEPL/ACT invited to Flagstaff

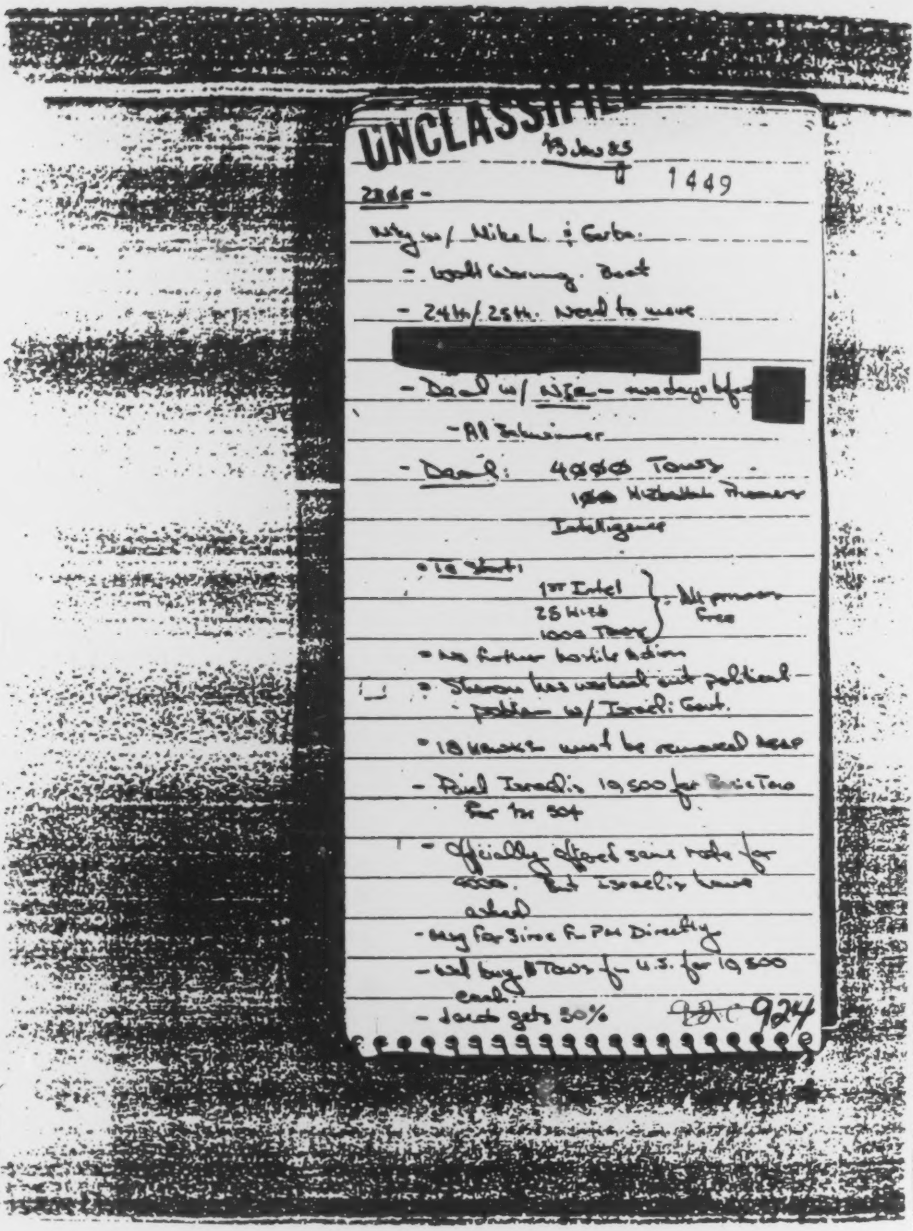
☐ Kissinger Re Intl fundraising mtg w/ Spitz

☐ Nixon Re dinners (Reagan: U.S.)
- Call Kachigian

☐ Dave Fischer - CALL!
- Special event for Evelyn
- State of Union Invite
- Special Event

[redacted]

UNCLASSIFIED



UNCLASSIFIED

13 Jan 85

1449

2300 -

Mtg w/ Mike L. & Gorba.

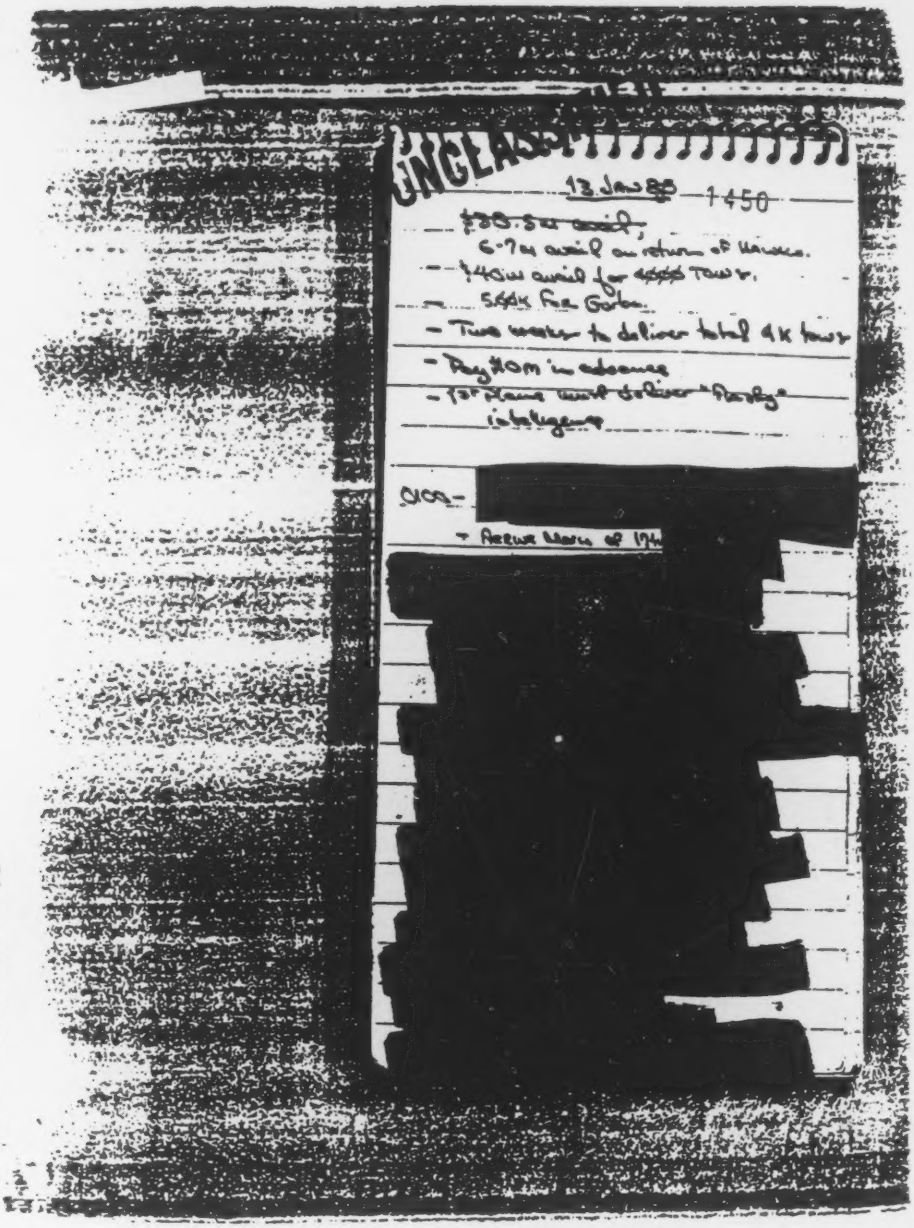
- Wolf Warning. Boat
- 24th/25th. Need to move

[redacted]

- Deal w/ Nir — two days before [redacted]
  - Al Schwimmer
- Deal: 4000 TOWs
  100 Hizballah Prisoners
  Intelligence
- To Start:
  1st Intel
  25 Hizb
  1000 TOWs } All prisoners free
- No further hostile action
- Shamir has worked out political problem w/ Israeli Govt.
- 18 Hawks must be removed ASAP
- Paid Israelis 10,500 for Basic Tow for the 504
- Officially offered same rate for 4000. But Israelis have asked
- Buy for Sirri fr PM Directly
- Will buy TOWs fr U.S. for 10,500 each.
- Jacob gets 30%

924

UNCLASSIFIED



UNCLASSIFIED

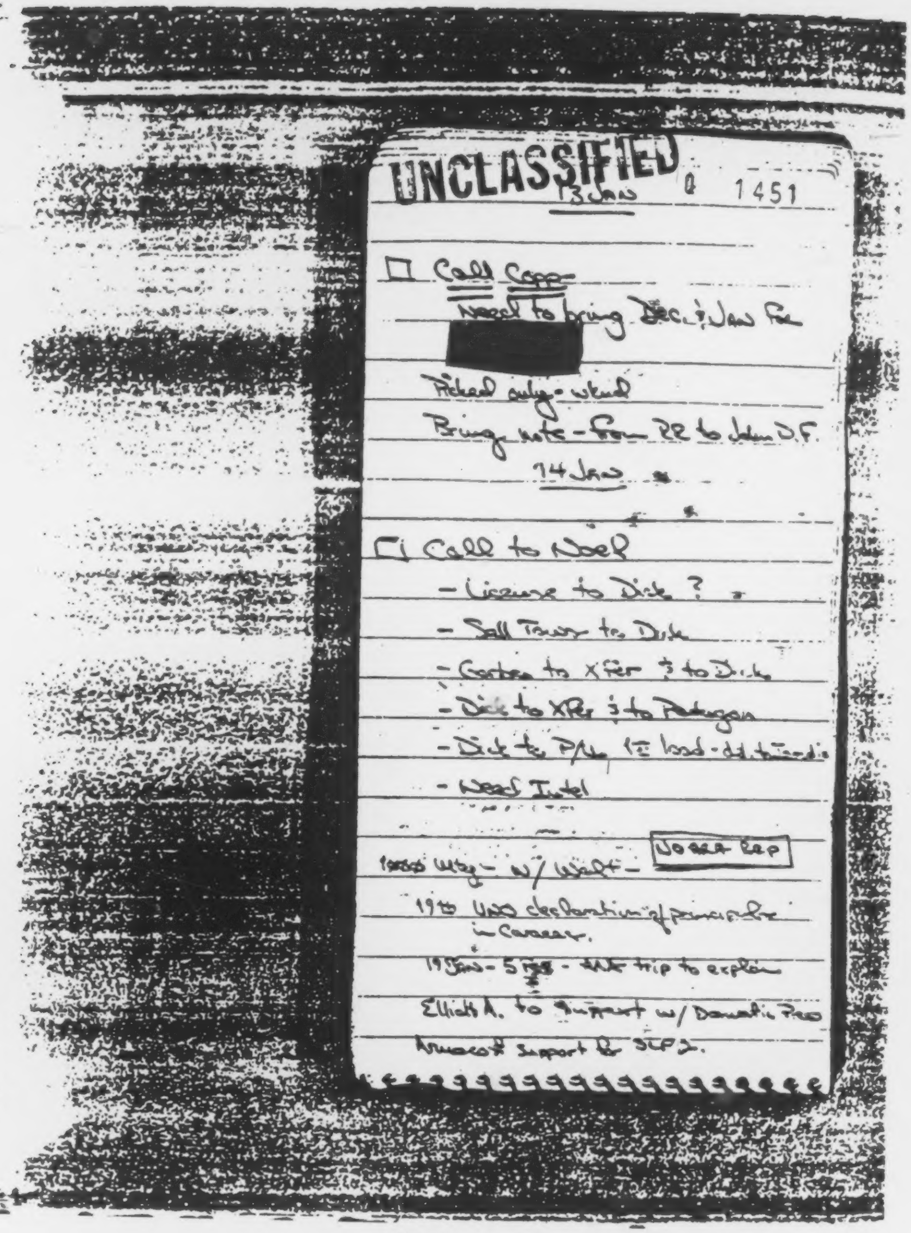
13 Jan 86 1450

- ~~$30.5m avail~~,
  6-7m avail on return of Hawks.
- $40m avail for 4000 TOWs.
  5.44K for Gorba.
- Two weeks to deliver total 4K TOWs
- Pay $10m in advance
- 1st plane must deliver "[illegible]" intelligence

0100 - [redacted]
- Arrive Morn of 17th [redacted]

[redacted]

UNCLASSIFIED



UNCLASSIFIED

13 Jan

1451

☐ Call Copp

Need to bring Dec. & Jan for [redacted]

Picked only - wknd

Bring note - from RR to John D.F.

14 Jan

☐ Call to Noel

- License to Dick ?
- Sell Tower to Dick
- Gorba to Xfer $ to Dick
- Dick to XFer $ to Pentagon
- Dick to P/U 1st load - dd. to [illegible]
- Need Intel

1000 Mtg - w/ Walt - NO ARA REP

19th UNO declaration of principles in Caracas.

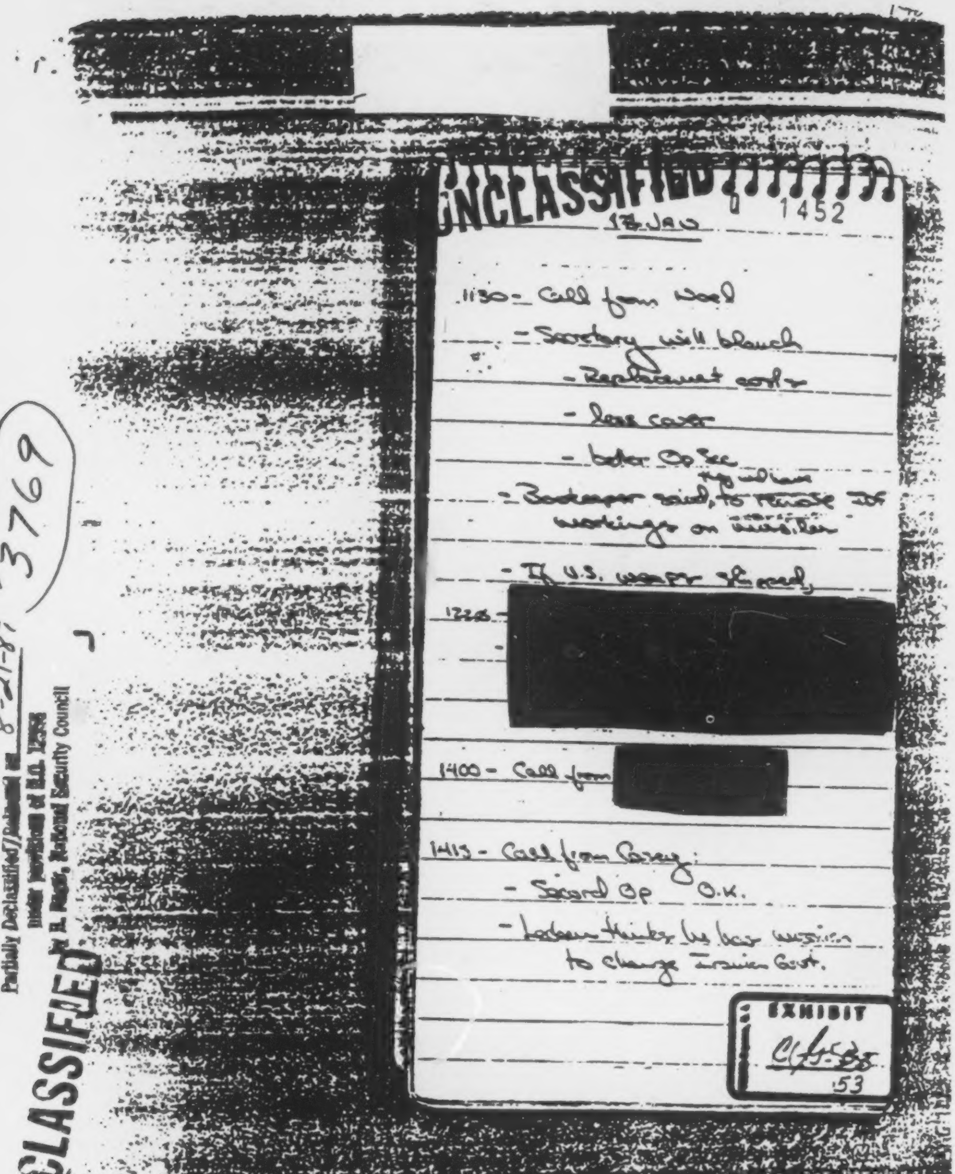
19 Jan - 5 Feb - AA trip to explain

Elliott A. to support w/ Domestic Pres

Armacost support for SLP 2.

UNCLASSIFIED

## Exhibit CG-53



UNCLASSIFIED

1452

17 JAN

1130 - Call from Noel
- Secretary will blanch
  - Replacement costs
  - less cover
  - better Op Sec
- Bookkeeper said, to remove DOD [illegible] markings on missiles
- If U.S. weapons shipped,

1220 - [redacted]

1400 - Call from [redacted]

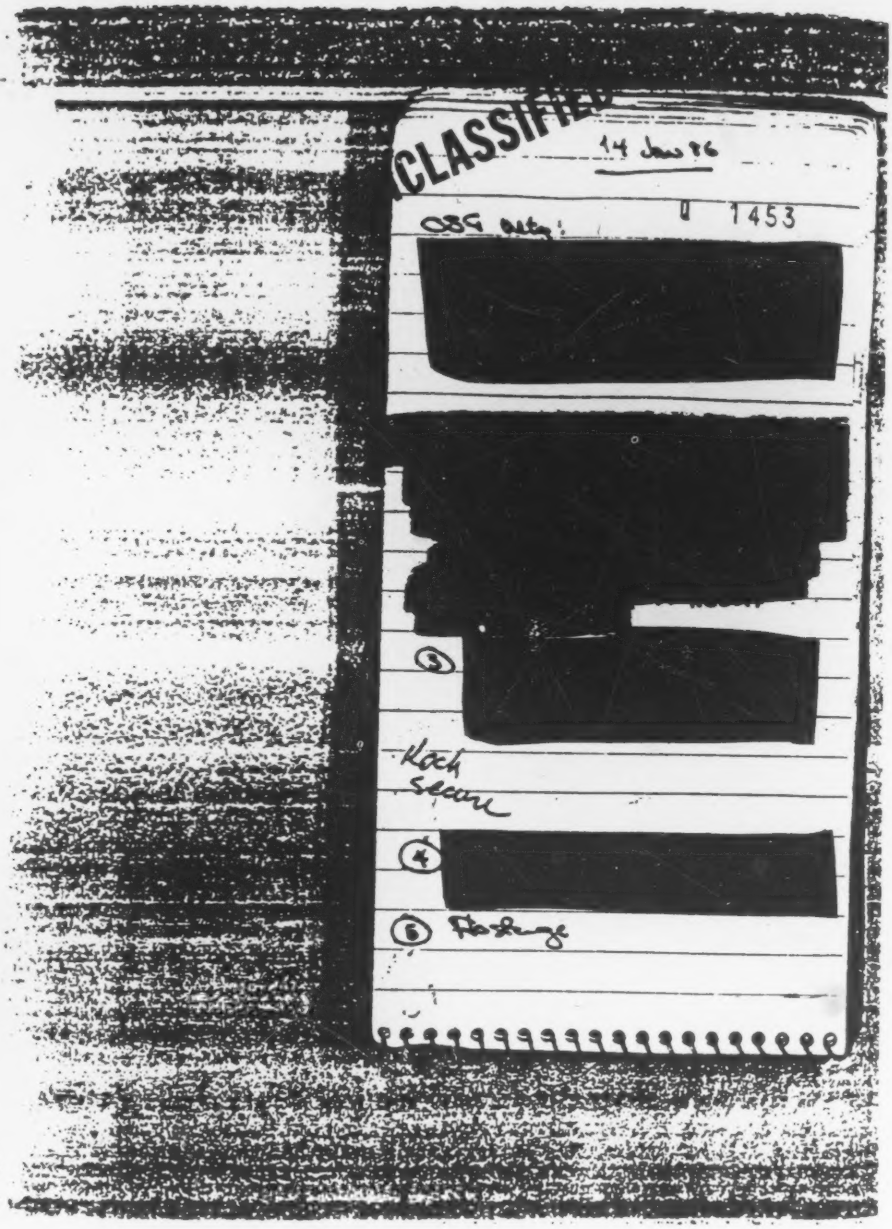
1415 - Call from Casey:
- Second Op O.K.
- Ledeen thinks he has mission to change Iranian Govt.

EXHIBIT CG-53

3769

Partially Declassified/Released on 8-21-87 under provisions of E.O. 12356 by B. Reger, National Security Council

UNCLASSIFIED



CLASSIFIED

14 Jan 86

1453

OSG Mtg:

[redacted]

[redacted]

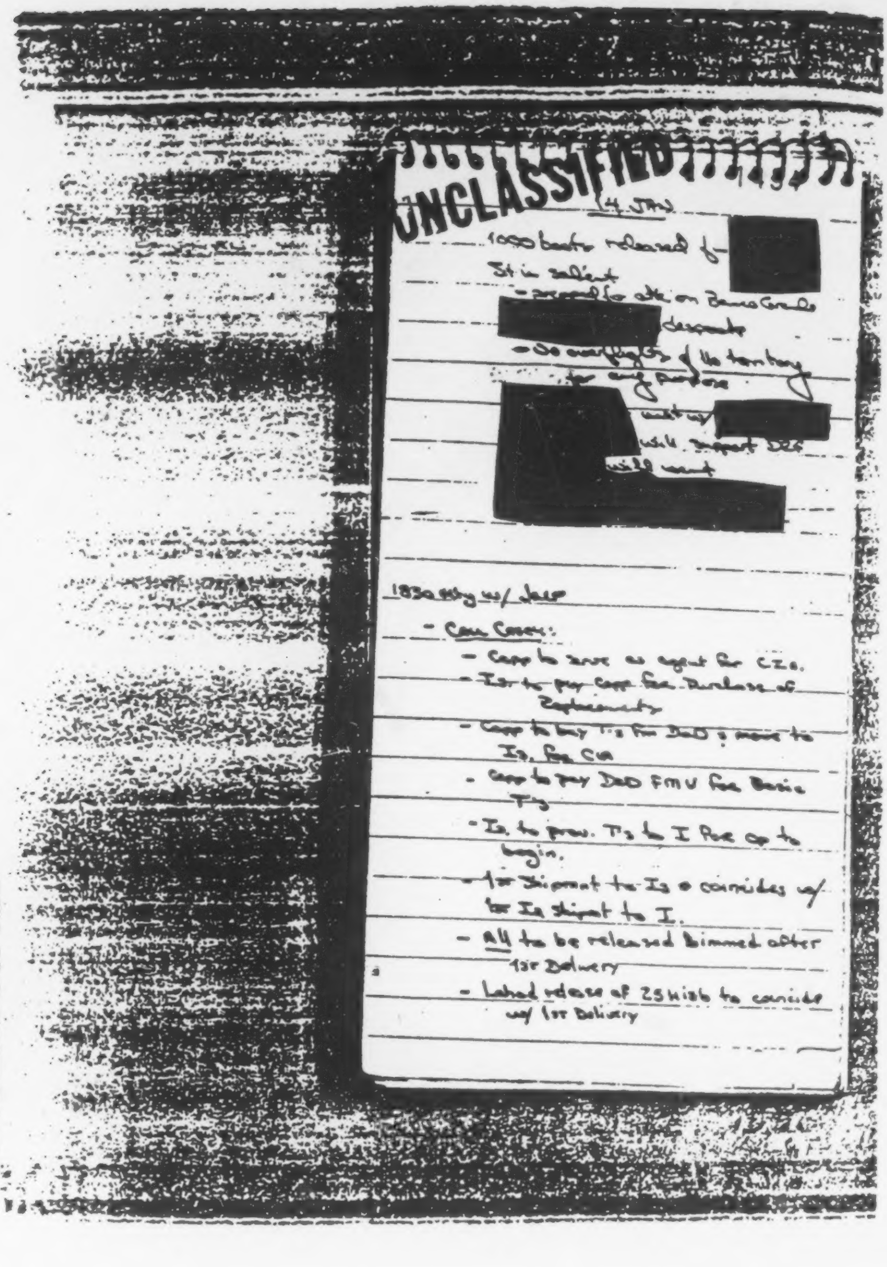
③ [redacted]

Koch
secure

④ [redacted]

⑤ Hostage

UNCLASSIFIED



UNCLASSIFIED

14 JAN

- 1000 basts released f— [redacted]

St in salient

- proceed for atk on Zona Grande

[redacted] descends

- No overflights of the territory for any purpose

[redacted] wait w/ [redacted]

will support DCS

will want

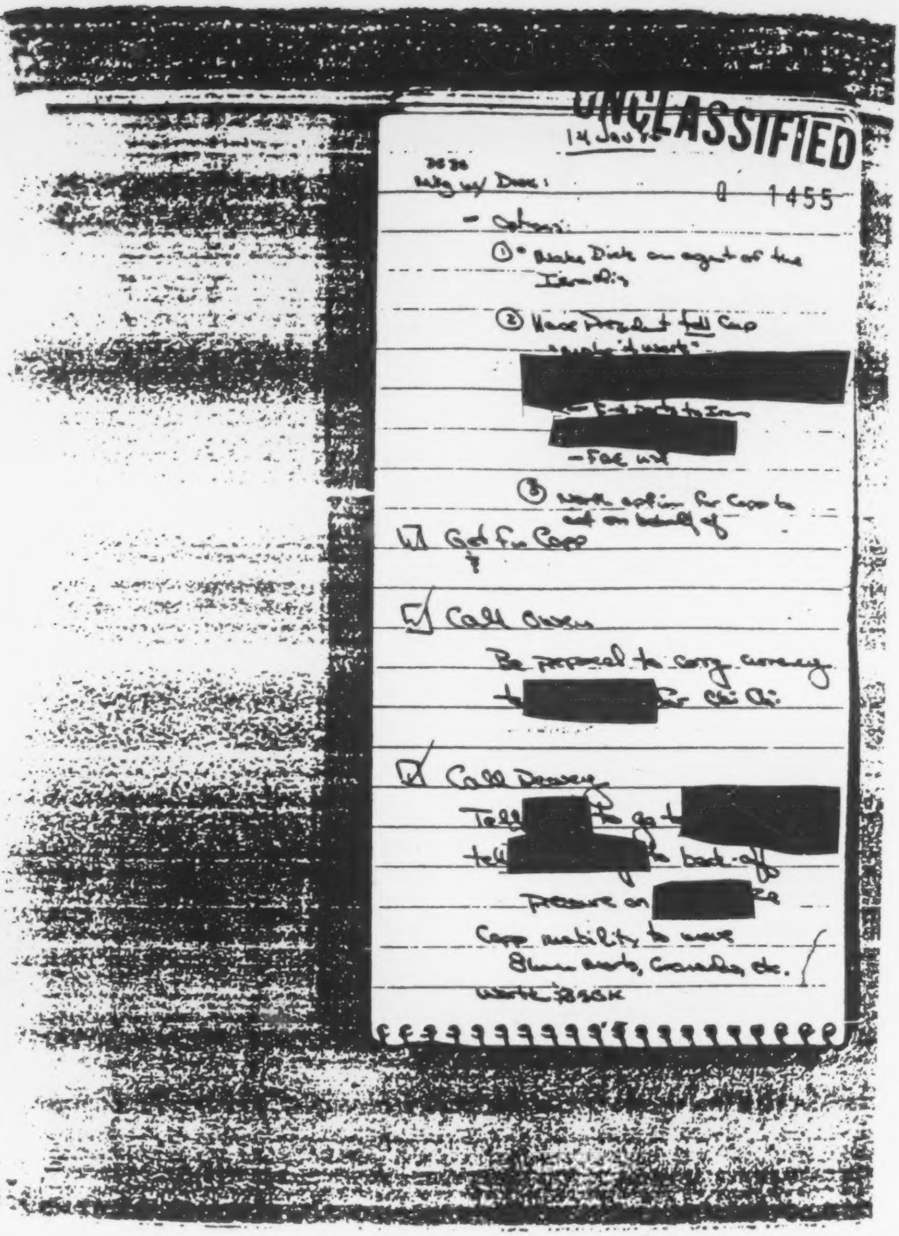
1830 Mtg w/ Jack

- Cov Covers:
  - Copp to serve as agent for CIA.
  - Isr to pay Copp for Purchase of Replacements
  - Copp to buy T's fm DoD & move to Is. for CIA
  - Copp to pay DoD FMV for Basic Tg
  - Is. to prov. T's to I for op to begin.
  - 1st Shipment to Is. coincides w/ 1st Is Shipmt to I.
  - All to be released Bimmed after 1st Delivery
  - Lahad release of 25 Hizb to coincide w/ 1st Delivery

UNCLASSIFIED

UNCLASSIFIED

7598



UNCLASSIFIED

14 Jan 86

0830
Mtg w/ Dewey:

0 1455

- Options:
  - ①° Make Dick an agent of the Iran Gov
  - ② Have President tell Copp "make it work"
    - [redacted]
    - — Est [illegible] to Iran
    - [redacted]
    - — FAE w/
  - ③ Work option for Copp to act on behalf of

☑ Get for Copp ?

☑ Call Owen

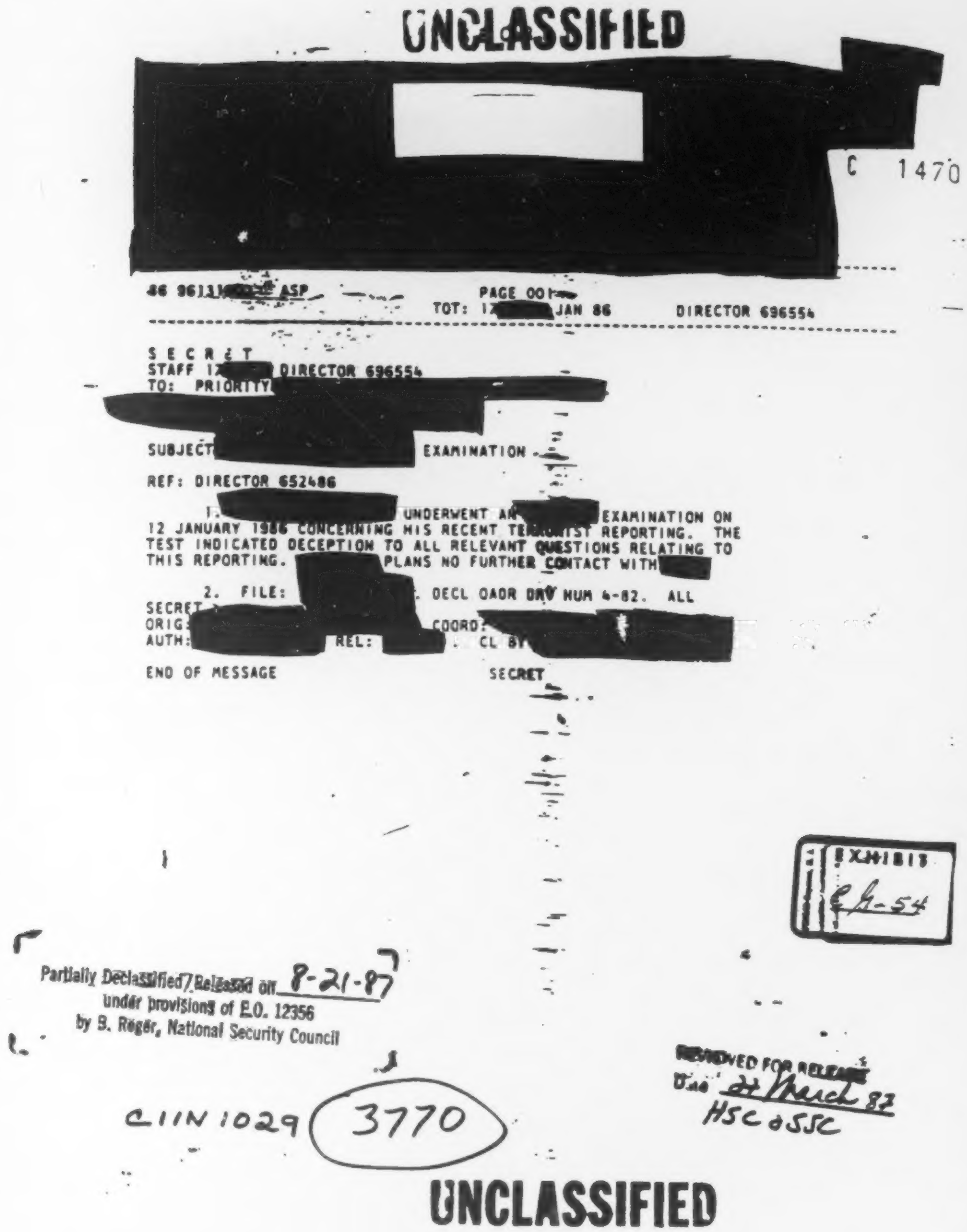
Be prepared to carry currency to [redacted] for Chi Chi

☑ Call Dewey

Tell [redacted] to go to [redacted] tell [redacted] to back-off pressure on [redacted] re Copp inability to move Blowpipes, Grenada, etc.

Worth $35K

## EXHIBIT CG-54



UNCLASSIFIED

[redacted]

C 1470

86 9611[redacted] ASP PAGE 001
TOT: 17[redacted]JAN 86 DIRECTOR 696554

SECRET
STAFF 17[redacted]DIRECTOR 696554
TO: PRIORITY[redacted]

SUBJECT[redacted] EXAMINATION

REF: DIRECTOR 652486

1. [redacted] UNDERWENT AN [redacted] EXAMINATION ON 12 JANUARY 1986 CONCERNING HIS RECENT TERRORIST REPORTING. THE TEST INDICATED DECEPTION TO ALL RELEVANT QUESTIONS RELATING TO THIS REPORTING. [redacted] PLANS NO FURTHER CONTACT WITH [redacted]

2. FILE: [redacted]. DECL OADR DRV HUM 4-82. ALL SECRET [redacted]
ORIG: [redacted] COORD: [redacted]
AUTH: [redacted] REL: [redacted]. CL BY [redacted]

END OF MESSAGE SECRET

EXHIBIT
CG-54

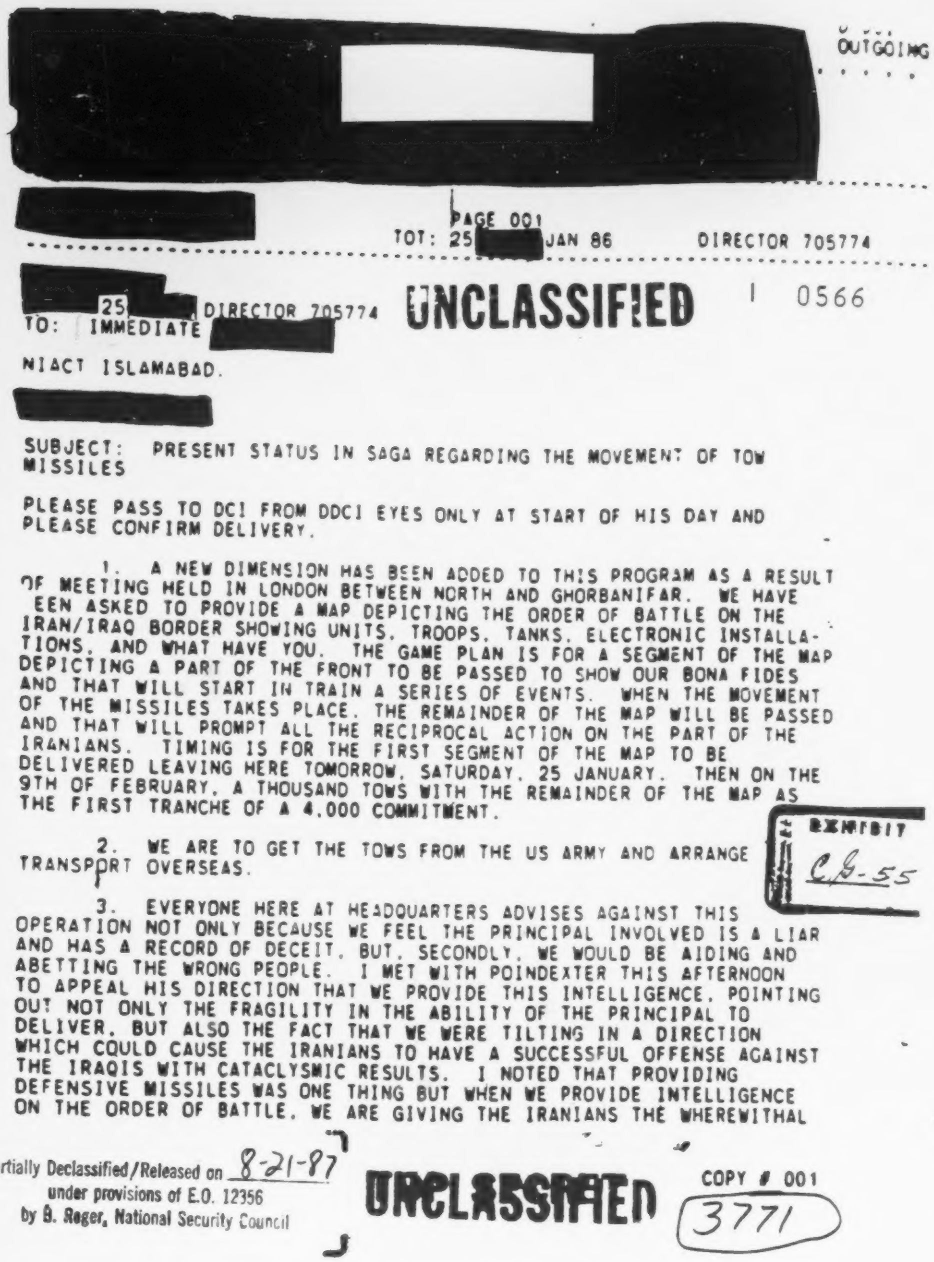
Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

REVIEWED FOR RELEASE
Date 24 March 87
HSC & SSC

C11N 1029 3770

UNCLASSIFIED

## Exhibit CG-55



[redacted]

OUTGOING

[redacted]

PAGE 001
TOT: 25[redacted]JAN 86 DIRECTOR 705774

[redacted] 25[redacted] DIRECTOR 705774 **UNCLASSIFIED** 0566

TO: IMMEDIATE [redacted]

NIACT ISLAMABAD.

[redacted]

SUBJECT: PRESENT STATUS IN SAGA REGARDING THE MOVEMENT OF TOW MISSILES

PLEASE PASS TO DCI FROM DDCI EYES ONLY AT START OF HIS DAY AND PLEASE CONFIRM DELIVERY.

1. A NEW DIMENSION HAS BEEN ADDED TO THIS PROGRAM AS A RESULT OF MEETING HELD IN LONDON BETWEEN NORTH AND GHORBANIFAR. WE HAVE EEN ASKED TO PROVIDE A MAP DEPICTING THE ORDER OF BATTLE ON THE IRAN/IRAQ BORDER SHOWING UNITS, TROOPS, TANKS, ELECTRONIC INSTALLATIONS, AND WHAT HAVE YOU. THE GAME PLAN IS FOR A SEGMENT OF THE MAP DEPICTING A PART OF THE FRONT TO BE PASSED TO SHOW OUR BONA FIDES AND THAT WILL START IN TRAIN A SERIES OF EVENTS. WHEN THE MOVEMENT OF THE MISSILES TAKES PLACE, THE REMAINDER OF THE MAP WILL BE PASSED AND THAT WILL PROMPT ALL THE RECIPROCAL ACTION ON THE PART OF THE IRANIANS. TIMING IS FOR THE FIRST SEGMENT OF THE MAP TO BE DELIVERED LEAVING HERE TOMORROW, SATURDAY, 25 JANUARY. THEN ON THE 9TH OF FEBRUARY, A THOUSAND TOWS WITH THE REMAINDER OF THE MAP AS THE FIRST TRANCHE OF A 4,000 COMMITMENT.

EXHIBIT
C.G.-55

2. WE ARE TO GET THE TOWS FROM THE US ARMY AND ARRANGE TRANSPORT OVERSEAS.

3. EVERYONE HERE AT HEADQUARTERS ADVISES AGAINST THIS OPERATION NOT ONLY BECAUSE WE FEEL THE PRINCIPAL INVOLVED IS A LIAR AND HAS A RECORD OF DECEIT, BUT, SECONDLY, WE WOULD BE AIDING AND ABETTING THE WRONG PEOPLE. I MET WITH POINDEXTER THIS AFTERNOON TO APPEAL HIS DIRECTION THAT WE PROVIDE THIS INTELLIGENCE, POINTING OUT NOT ONLY THE FRAGILITY IN THE ABILITY OF THE PRINCIPAL TO DELIVER, BUT ALSO THE FACT THAT WE WERE TILTING IN A DIRECTION WHICH COULD CAUSE THE IRANIANS TO HAVE A SUCCESSFUL OFFENSE AGAINST THE IRAQIS WITH CATACLYSMIC RESULTS. I NOTED THAT PROVIDING DEFENSIVE MISSILES WAS ONE THING BUT WHEN WE PROVIDE INTELLIGENCE ON THE ORDER OF BATTLE, WE ARE GIVING THE IRANIANS THE WHEREWITHAL

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

**UNCLASSIFIED**

COPY # 001
3771

UNCLASSIFIED

[redacted] PAGE 002
TOT: 25[redacted]JAN 86 DIRECTOR 705774

1 10567

FOR OFFENSIVE ACTION.

4. POINDEXTER DID NOT DISPUTE OUR RATIONALE OR OUR ANALYSIS, BUT INSISTED THAT IT WAS AN OPPORTUNITY THAT SHOULD BE EXPLORED. HE FELT THAT BY DOING IT IN STEPS THE MOST WE COULD LOSE IF IT DID NOT REACH FULFILLMENT WOULD BE 1,000 TOWS AND A MAP OF ORDER OF BATTLE WHICH IS PERISHABLE ANYWAY.

5. WE ARE NOW PROCEEDING TO PREPARE THAT MAP AND DELIVER IT TO NORTH AT 1100 SATURDAY MORNING WASHINGTON TIME.

6. I HAVE READ THE SIGNED FINDING DATED 17 JANUARY 1986 WHICH GIVES US THE AUTHORITY TO DO WHAT THE NSC IS NOW ASKING. HENCE, IN SPITE OF OUR COUNSEL TO THE CONTRARY, WE ARE PROCEEDING TO FOLLOW OUT ORDERS AS SO AUTHORIZED IN THE FINDING.

7. NO FILE. DECL OADR DRV HUM-4-82. ALL TOP SECRET.)
ORIG: DDCI (MCMAHON 1:55).
END OF MESSAGE [redacted]

933
~~929~~

TOP SECRET
UNCLASSIFIED

## Exhibit CG-56

UNCLASSIFIED

C 14

Allen Ex.#33

National Intelligence Council

NIC 00812-86
18 February 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Interview with Subject, 26 January 1986

1. I met with Subject for three hours at the Churchhill Hotel in Portman Square, London, on the evening of 26 January 1986. We spent about half this time going over photographs that had been passed to an American official a few days earlier. Subject also described a number of terrorist plots and discussed the relationship that he wished to develop with the Agency.

2. Subject began the meeting with a lengthy diatribe against the Agency officer whom he met recently by the name of [redacted]. He stated [redacted] had asked him for Subject's file on Ayatollah [redacted], a strong Line One proponent in Tehran. He described this request as "out of line" and that [redacted] association with those wishing to change the nature of the government in Tehran was "a very sensitive matter". He accused the Agency of wishing "to go directly to the source" with the objective of "backmailing" [redacted] into working for the United States. He stressed that [redacted] was destined to be a future leader in Iran when the change in government occurs, that he was working very closely with [redacted] and that he resented the Agency's effort to contact [redacted] directly. Subject also complained about the manner in which his recent polygraph had been conducted by the Agency, asserting that there had been semantical problems with the polygraph operator who spoke no Farsi. He said he "felt sorry" for the Agency because of "the poor quality" of those officers working on the Iranian desk. [redacted]

3. Subject claimed that he had worked with other Iranians for the last six years at great personal expense and sacrifice, endeavoring with others to build an organization inside and outside of Iran that is capable of challenging the Line Two. Subject recounted how much he had suffered since the Khomeini regime had come to power. He said that he had lost "his best friends" and that his sister had been tortured.

4. Subject claimed that his organization had such influence he could get subjects inserted into the debates in the Majles. He also asserted that he could get a subject discussed at the Friday prayers by President Khamenei. He

3772

CL BY [redacted]
DECL OADR

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by D. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
CG-56

claimed that "we control the President like a chicken." He noted that his organization is not "a broker of change" but "an architect". He stated he had put his personal fortune and the lives of his family at stake in order to seek such change in Iran.

5. [redacted] He again recounted how the US [redacted] had put out "the word" on him because he would not agree to be "a controlled agent." He also asserted that as an procurement agent for the current Iranian Government, he could write checks for millions of dollars, and displayed a checkbook as well as records of deposits of large amounts of money.

6. Subject stated that he and his organization wished to enter into a relationship with the Agency in order to draw upon its resources to effect change in Tehran. He asserted that "we do not wish to be kingmakers" only the right to be "a small partner" whereby his organization and the United States could work toward mutually beneficial goals. He claimed that his organization had over $100 million in assets in Iran. With some emotion, he stated that he loved his country and that he wished to return witn his family. His whole being was dedicated toward this effort. He compared his organization to "a company" which had certain assets. His organization was more than willing to provide information as part of the bargain; this was understood. Subject described himself as "an unusual individual" who is straightforward in his dealings. He said that he would not "trick" anyone, unless he found himself dealing with deceptive individuals or organizations.

7. [redacted]

8. [redacted]

9. [redacted]

Pages 3 and 4 denied in their entireties.

UNCLASSIFIED

[redacted]

16. [redacted]

17. Subject recounted problems that he was having with Col. Jacob Nimrodi, an Israeli who runs an import-export business out of Tel Aviv, London, and New York. He commented that Nimrodi claims to be worth $75 million, including 10 million pounds in the UK Midlands Bank. Nimrodi, according to Subject, is unhappy over being excluded from certain business arrangements with Subject and has threatened him (Subject).

18. [redacted]

19. [redacted]

20. [redacted]

21. [redacted]

UNCLASSIFIED

UNCLASSIFIED

[redacted]

22. Subject again raised the question of his relationship with the Agency. He emphasized the need for an early decision and noted that "this would not be a one-way street." Subject noted that [redacted] was gaining in stature but would need some financial support as he consolidated his position. According to Subject, Khomeini may soon step down in order that a proper succession can occur in Iran. [redacted] and others are urging that Khomeini step down on 11 February but this may not occur until 1 March. Ayatollah Montazeri will be Khomeini's successor.

23. [redacted]

24. [redacted]

Charles E. Allen
Charles E. Allen

938
~~434~~

UNCLASSIFIED

## EXHIBIT CG-57

UNCLASSIFIED

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence
Deputy Director for Operations

FROM: [redacted]
Chief, Near East [redacted] Division

SUBJECT: Comments on Ghorbanifar's Recent Meetings with NIO/Terrorism

I 0278

1. The information provided by Manuchehr Ghorbanifar in the attached memoranda (Attachment A), like any good fabrication, contains elements of truth (names, titles, responsibilities and political leanings of Iranian officials, etc.). For example, [redacted] and the three Iranian officials who supposedly will visit France next week for R&R are fairly well-known clerics. But, this type of information is readily available and, for the most part, is overt. [redacted]

2. Ghorbanifar also has provided information which is garbled and seemingly inaccurate. [redacted]

3773

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by [illegible], National Security Council

[redacted]

CIIN #1173/E01

UNCLASSIFIED

UNCLASSIFIED

3. There are two items in the attached memoranda, however, which are clearly untrue:

(a) [redacted] As a result, questions were included in the examination concerning the veracity of these statements. The examination indicated deception on the information he provided on this subject. In the follow-up questioning, Ghorbanifar showed himself to be evasive and often reluctant to answer the questions and contradicted himself on relevant points. This was reported in the operator's writeup.

0279

(b) [redacted]. Since this was a solid statement made by Ghorbanifar, we planned to test him on its veracity and included in the polygraph a question concerning whether he actually obtained the SAVAK file on [redacted]. In the pre-test interview, however, he said that he never had possession of these documents, but had heard about them. As a result, we deleted this question from the testing and no further discussion was held concerning the file.

4. [redacted]

UNCLASSIFIED

SECRET

UNCLASSIFIED

[redacted]

0280

5. [redacted] This is yet another example of Ghorbanifar not producing when the chips were down.

6. It is also worth pointing out that each of Ghorbanifar's schemes involve substantial sums of money which he would receive in exchange for his services. In his proposal to "sting" the Libyan Government, he expected to obtain $10 million and his latest proposal concerning [redacted], $50 million. Over and over again in his file the monetary angle is present in all of his proposals.

7. As far as the Israelis are concerned, it is interesting to note that in the memorandum of 18 February 1984, Ghorbanifar stated he is having difficulty with former Israeli official Jacob Nimrodi. It was through this official that Michael Ledeen was originally introduced to Ghorbanifar. This falling out might be due to the financial arrangements made in the negotiations.

8. The major problem with Ghorbanifar's information is sorting out fact from fiction and we will never be certain which is which. While Ghorbanifar has contact with Iranian officials, there are real questions about his motivation and control. It is not at all clear which side he is working for. In fact, his polygraph indicated that he is under Iranian Government control. Unfortunately, the U. S. Government has enhanced this fabricator's credibility with the Iranians by using him as an intermediary in the negotiations for the hostages.

UNCLASSIFIED

UNCLASSIFIED

9. We have traced several of the individuals mentioned in Ghorbanifar's memorandum and the results are contained in Attachment B.

[redacted]

C/NE

ATTACHMENTS:
As stated above

I 0281

~~938~~ 942

UNCLASSIFIED

# EXHIBIT CG-58

C 7489/05

ER [redacted]

4/6/84

Ask DCI if he handed attached to Mr. McFarlane on Tuesday, 27 March.

EYES ONLY

Yes - hold it close, no dist.

Attached for your EYES ONLY file. No distribution, per DCI. He said Mr. McFarlane will return his copy to us when he is finished with it.

[redacted] 6 April

Executive Registry
84-1635

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

3774

943
~~934~~

A

EXHIBIT
CG-58

UNCLASSIFIED

Executive Registry 15710

C11N 3076

UNCLASSIFIED

The Director of Central Intelligence
Washington, D.C. 20505

27 March 1984

C 7490

MEMORAN[redacted] The [redacted]e Robert C. McFarlane
Assistant to the President for
National Security Affairs

SUBJECT: [redacted] Supp[redacted] Assistance to Nicaragua Program

1. In view of possible difficulties in obtaining supplemental appropriations to carry out the Nicaraguan covert action project through the remainder of this year, I am in full agreement that you should explore funding alternatives with [redacted] I believe your thought of putting one of your staff in touch with the appropriate [redacted] [redacted] should promptly be pursued. You will recall that the Nicaraguan project runs out of funds in mid-May. Although additional moneys are indeed required to continue the project in the [redacted]at fiscal year, equipment and materiel made available from other sourc[redacted]ght in part substitute for some funding. We are therefore currently exp[redacted]g two such alternatives. Please note, however, that we are unlikely to m[redacted]e materiel assistance from these sources by mid-May.

2. The first of these alternatives [redacted]cquiring [redacted]

3. The second alternative we are exploring is the procurement of [redacted] assistance from [redacted]

4. Finally, after examining legalities, you might consid[redacted] appropriate private US citizen to establish a foundation that [redacted] b[redacted] recipient of nongovernmental funds which could be disbursed t[redacted] an[redacted] FDN.

William J. [redacted]

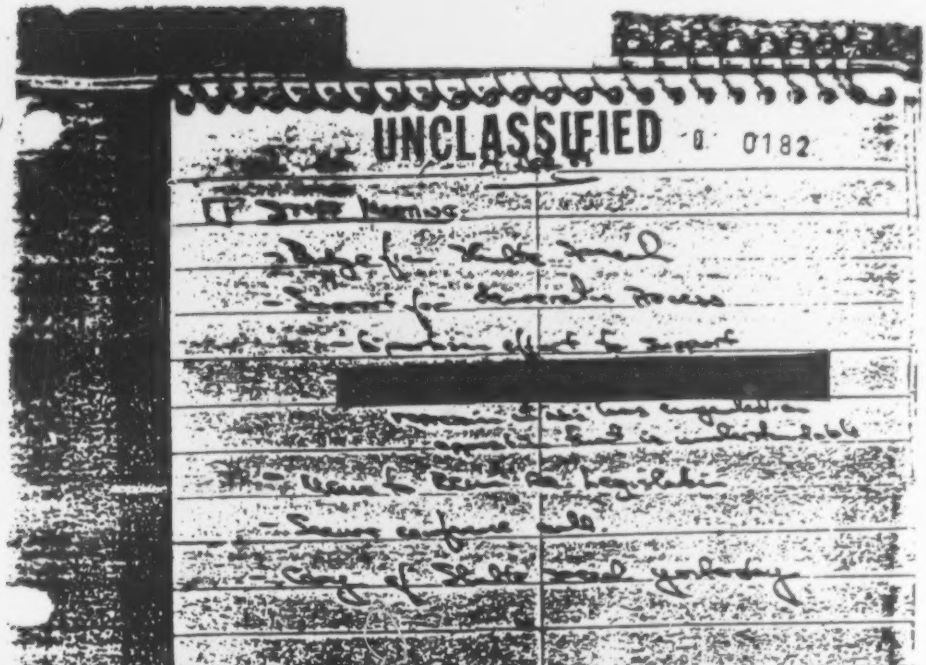
Executive Registry 1312

CJIN 3077

UNCLASSIFIED

CL BY 0008074
RVW OADR

### Exhibit CG–59



UNCLASSIFIED 0 0182

Staff Meeting

- Pledge for [illegible] fund
- Support for democratic process
- [illegible] effort to support

[redacted]

[illegible] has been expedited [illegible] is understandable

- Need for [illegible] legislation
- Secure conference calls.
- Copy of [illegible] yesterday

Secure Conference Call

[illegible]

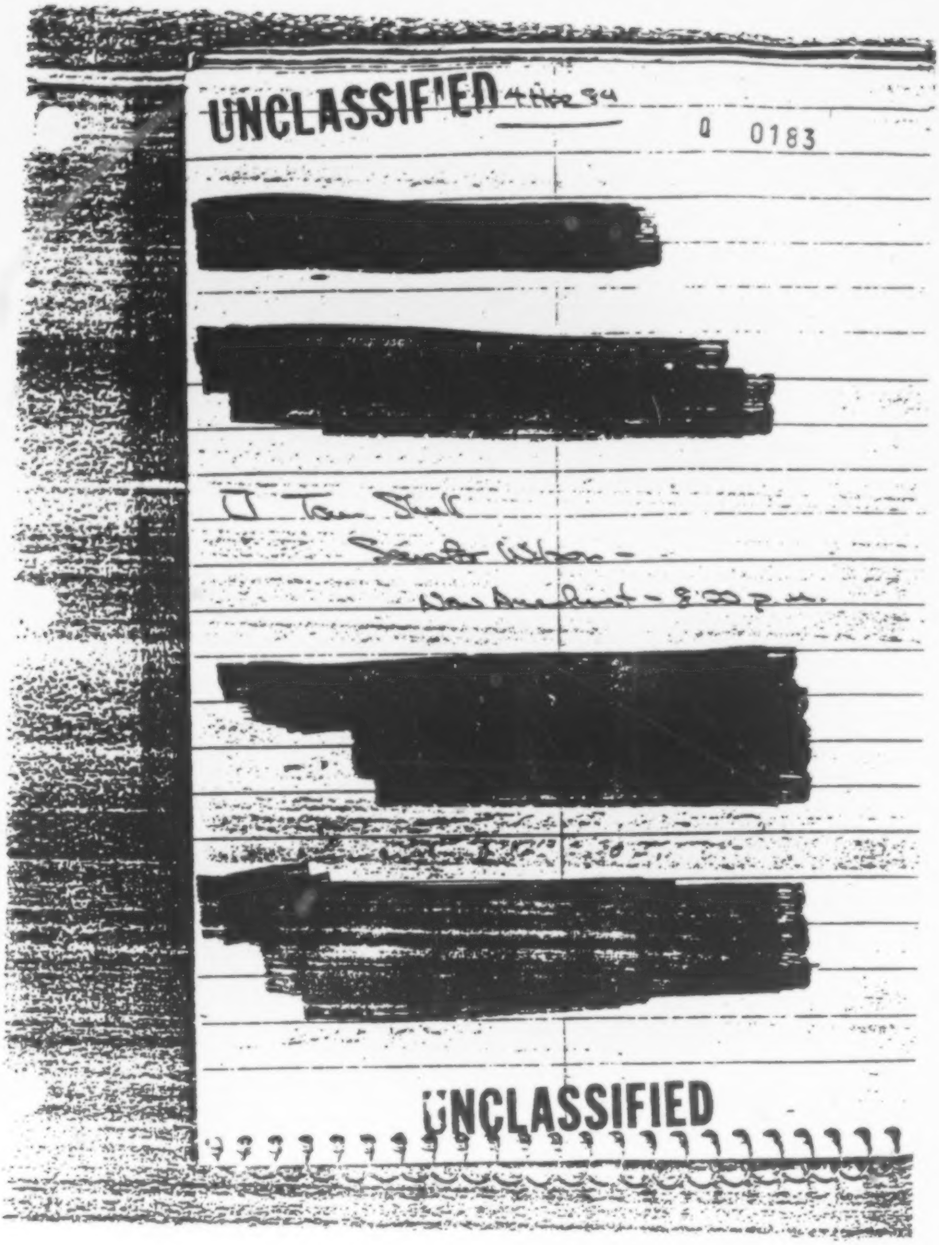
[redacted]

EXHIBIT CG-59

945

UNCLASSIFIED 945

8-21-87 (3775)



UNCLASSIFIED 4 Apr 84

Q 0183

[redacted]

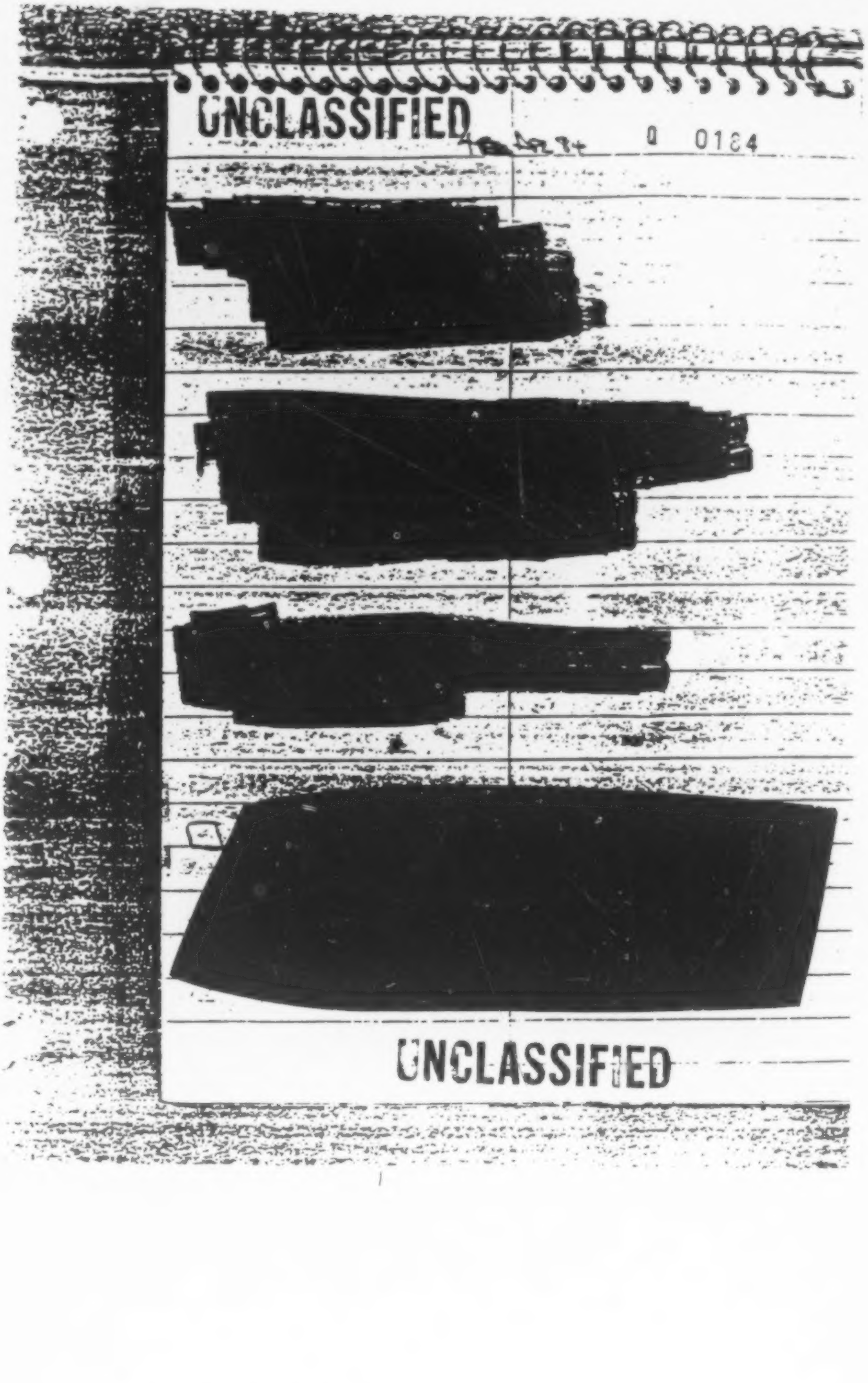
[redacted]

☐ Tom Shull
Senator Wilson -
Nat Analyst - 8:00 p.m.

[redacted]

[redacted]

UNCLASSIFIED



UNCLASSIFIED 4 Apr 74 0 0184

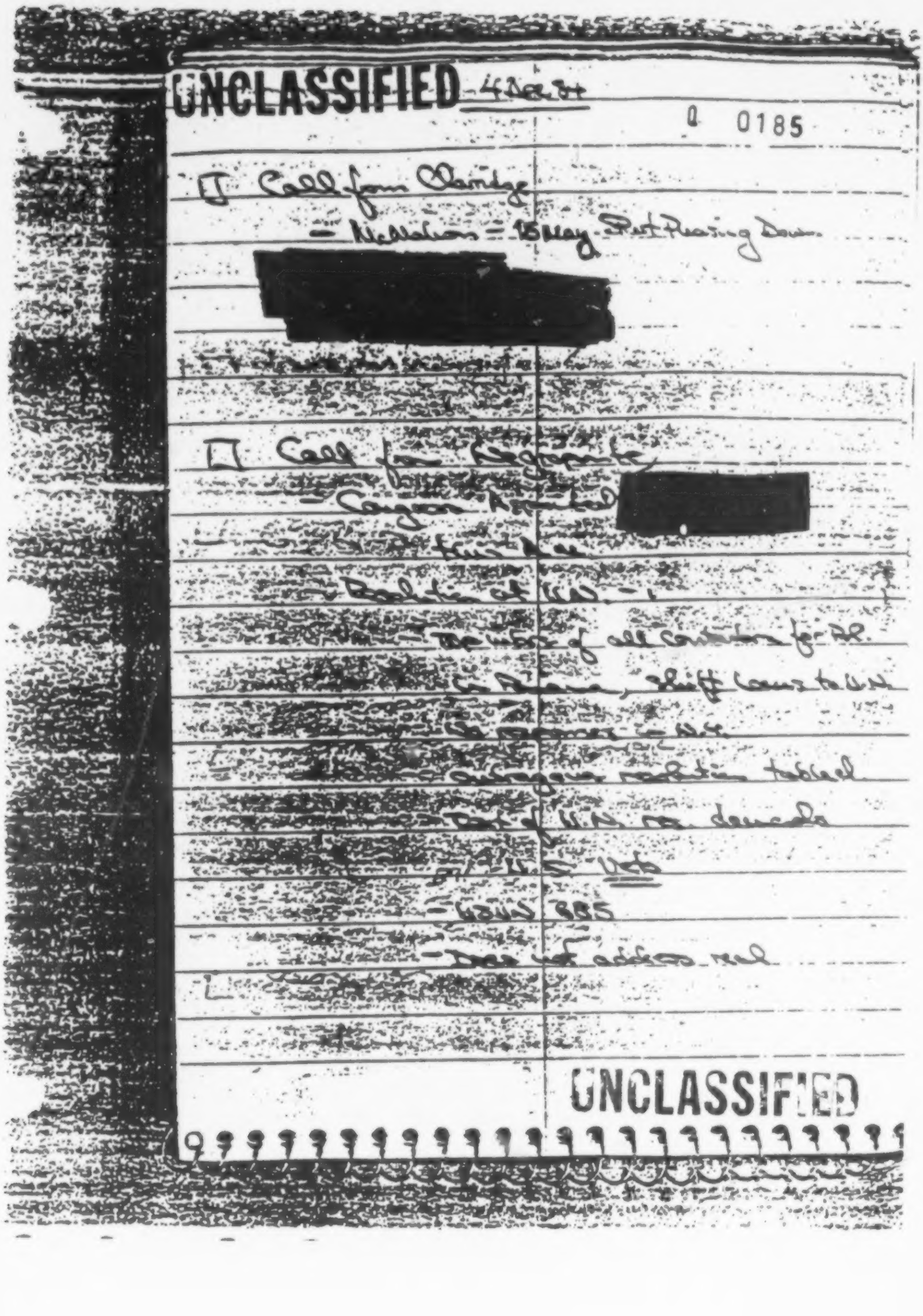
[redacted]

[redacted]

[redacted]

[redacted]

UNCLASSIFIED



UNCLASSIFIED 4 Dec 84

Q 0185

☐ Call from Clarridge

— McMahon = 15 May Start Phasing Down

[redacted]

[illegible]

☐ Call from Negroponte

— Congress Amended [redacted]

— [illegible] Now

— Resolution at UN — 1

— The intent of all Contadora for [illegible].

in Panama, shift venue to U.N.

— [illegible] — U.S.

— Nicaraguan resolution tabled

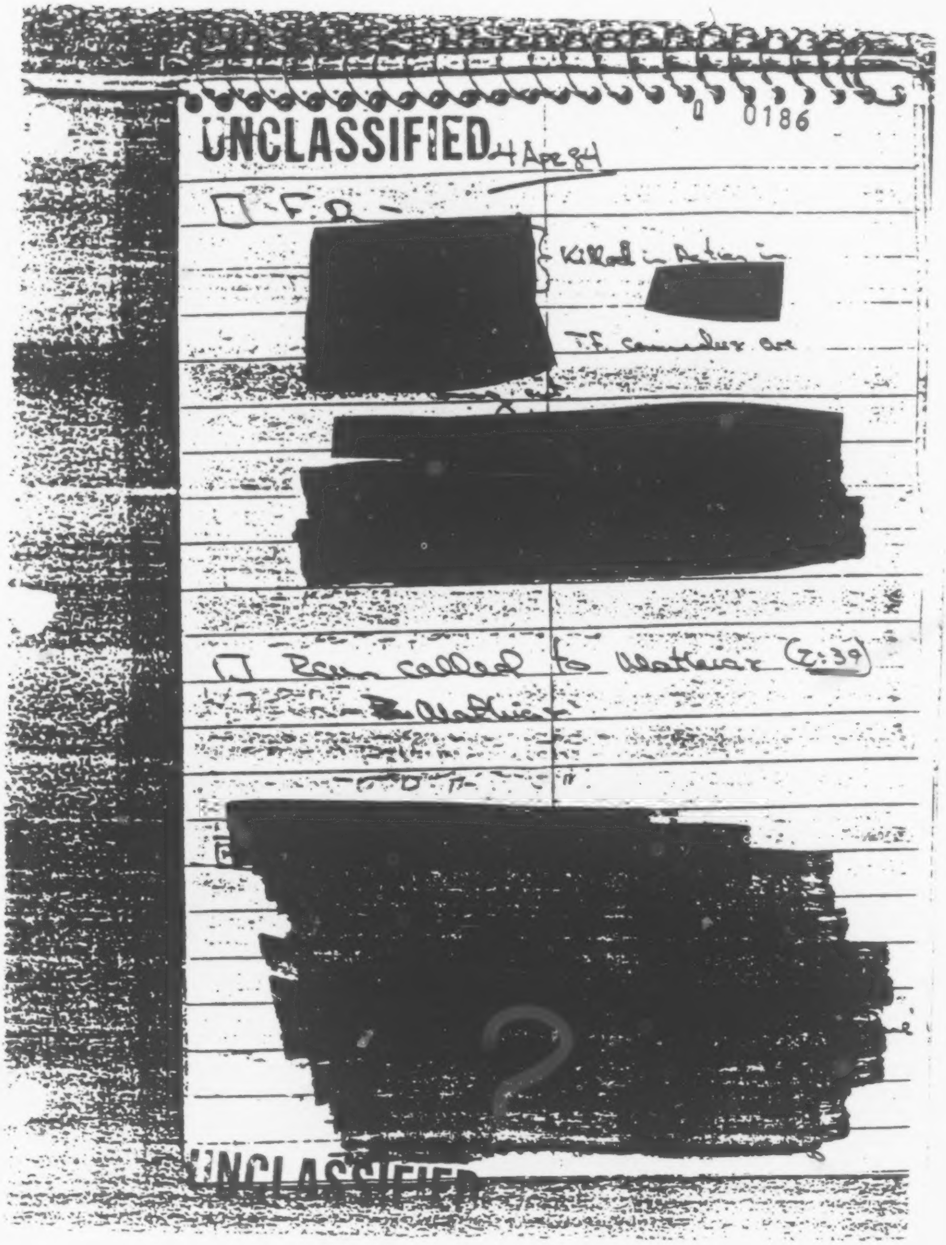
— Part of U.N. on demands

w/ U.S. Veto

— UNGA 385

— Does not address real

UNCLASSIFIED



UNCLASSIFIED 4 Apr 84

0186

☐ - F.R. -

[redacted] Killed in Action in [redacted]

T.F. commander are

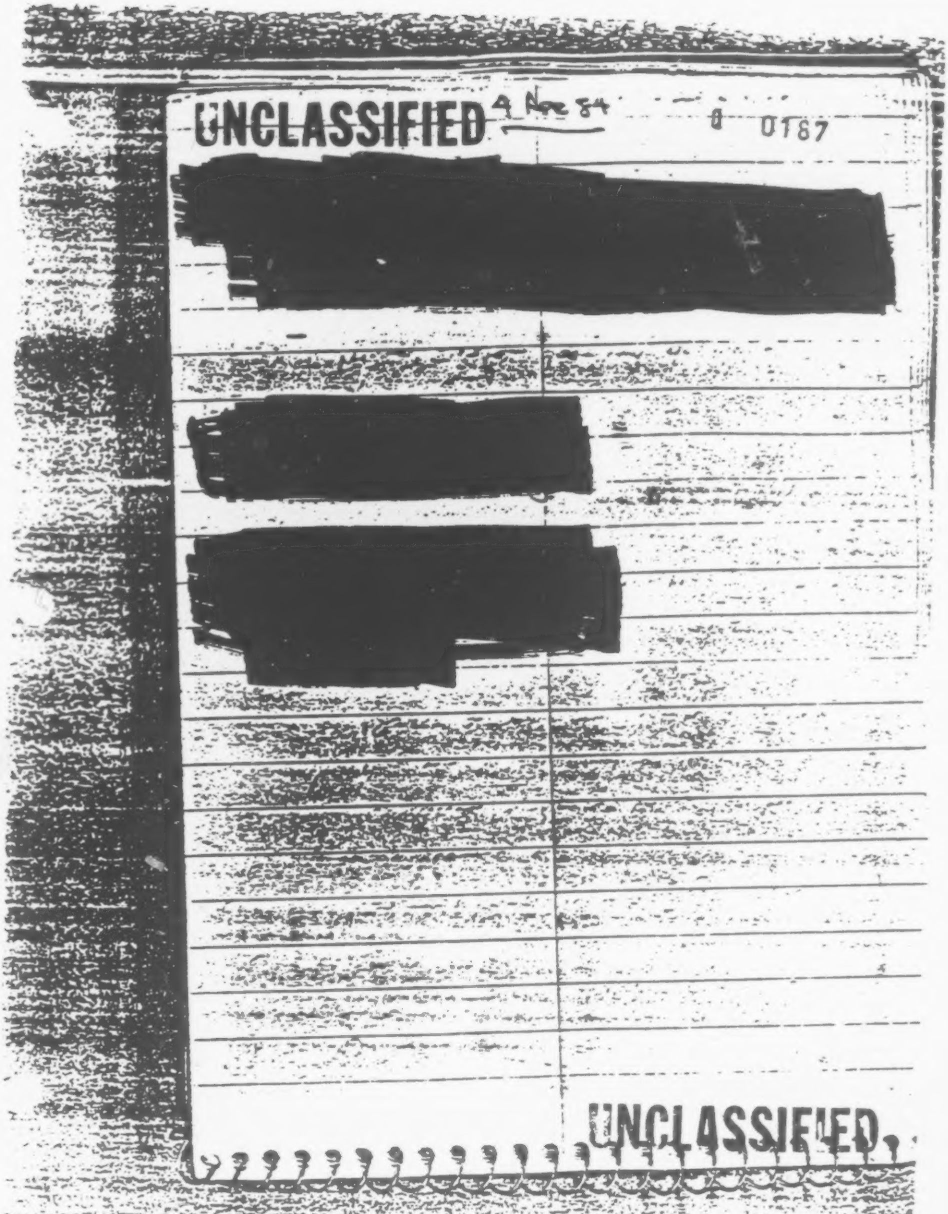
[redacted]

☐ Ron called to Watkins (2:39)

- Re Watkins -

[redacted]

UNCLASSIFIED



UNCLASSIFIED 4 Nov 84

0 0187

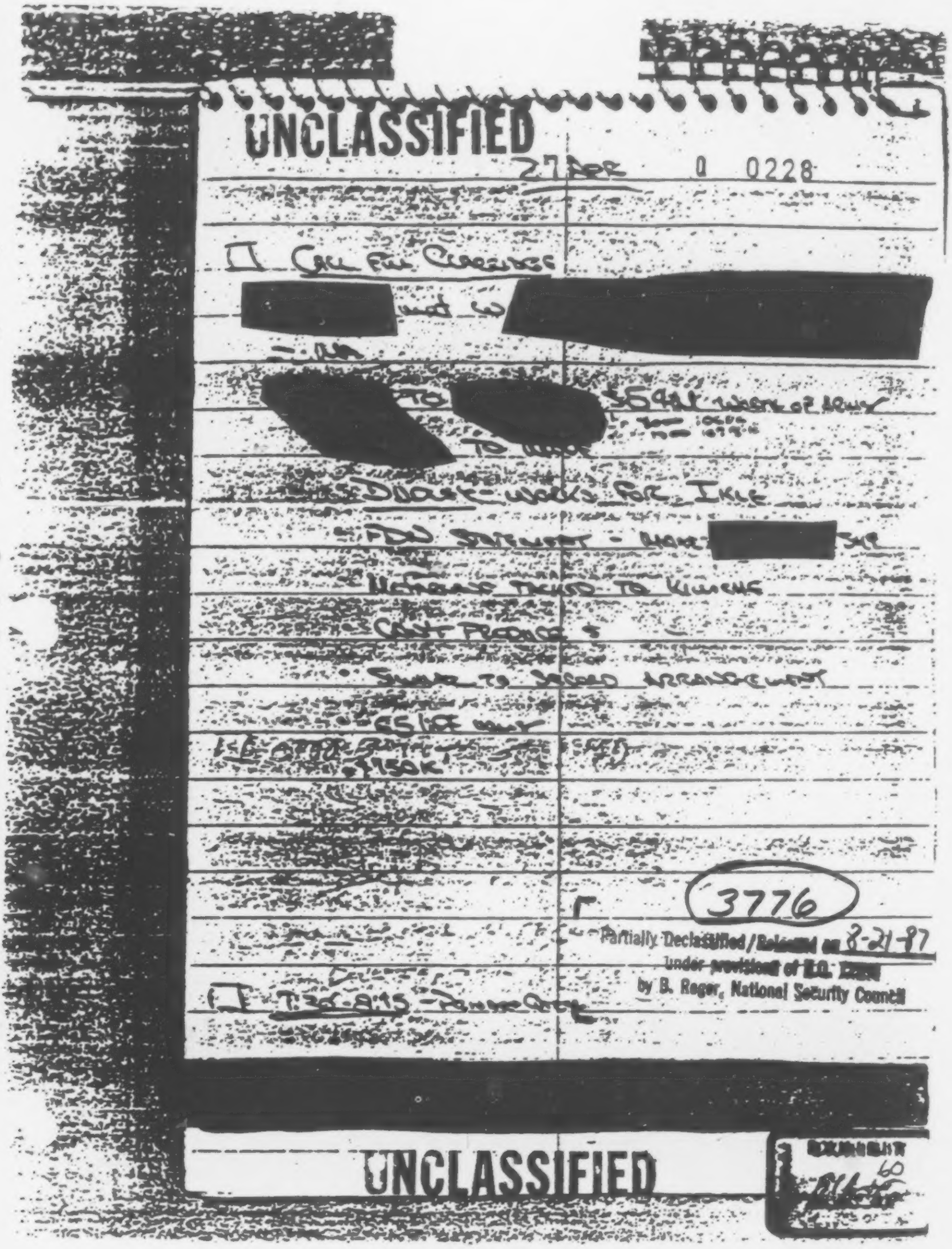
[redacted]

[redacted]

[redacted]

UNCLASSIFIED

EXHIBIT CG–60



UNCLASSIFIED

27 APR   0 0228

II Call for Clearance

[redacted] met w [redacted]

= [illegible]

[redacted] to [redacted] $594M worth of Army

to work

Dorsey – works for Ikle

FDN statement – have [redacted] [illegible]

Material traced to Kimche

Can't produce &

Swear to secret arrangement

[illegible] only

I-5 other [illegible]

$150K

3776

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

III T: 30-8:45 – [illegible]

UNCLASSIFIED

EXHIBIT 60

27 APR UNCLASSIFIED
0229

☐ ~~[illegible]~~ CLARRIDGE - Re Press Article on Nic Room

[redacted]

- Defense Spoke Yesterday

[redacted]

[redacted]

☐ Call from Gen Gorman

- US Govmn does not view, nor has he, nor do we intend to conduct [redacted] flights

[redacted]

U.S. Presence

[redacted]

- Reports corroborate Oct offensive 80 kids from [illegible] prov. grabbed.

UNCLASSIFIED

UNCLASSIFIED

22 Apr

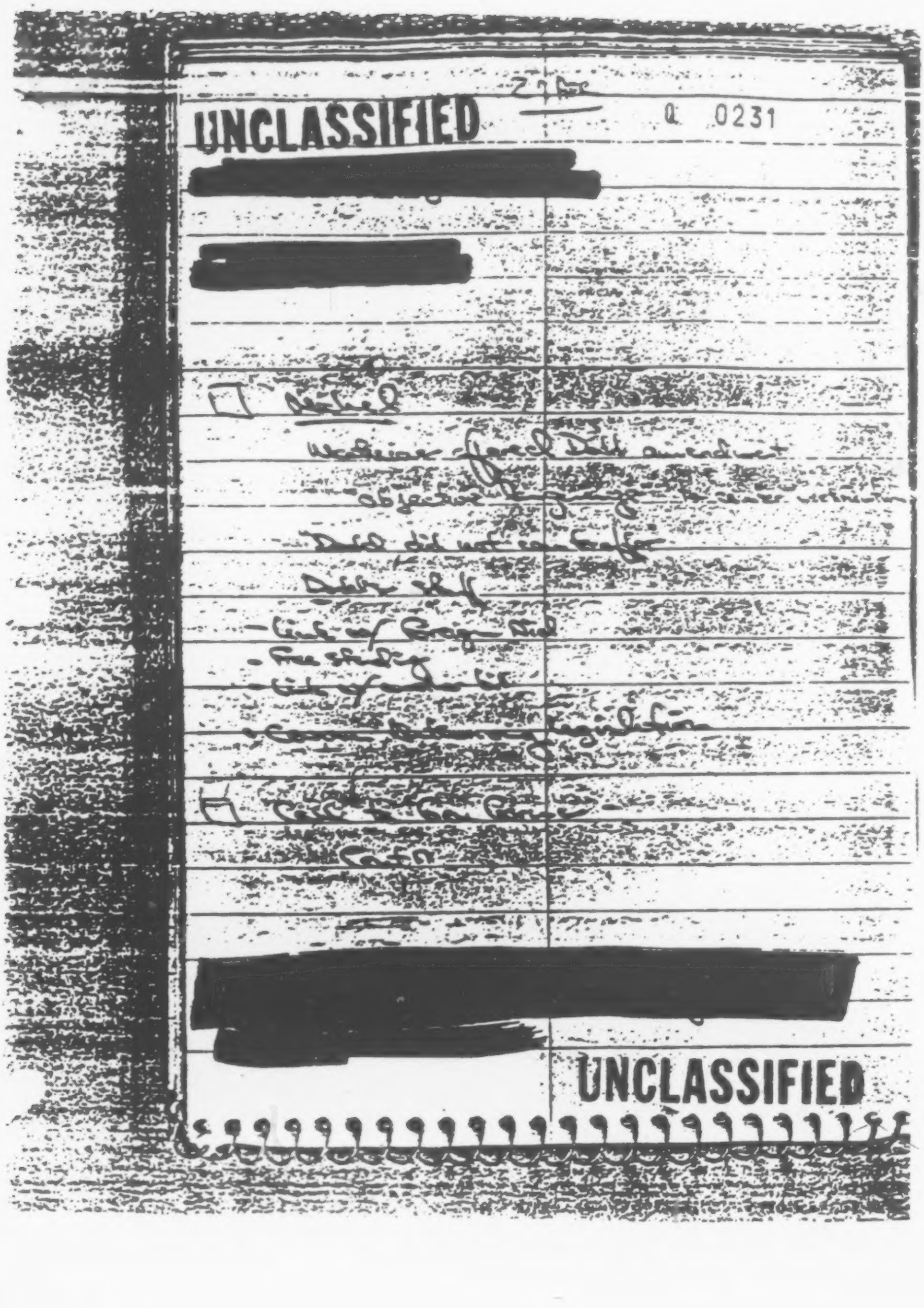
0 0230

[redacted]

[redacted]

[redacted]

UNCLASSIFIED



UNCLASSIFIED 27 Apr Q 0231

[redacted]

[redacted]

☐ [illegible]

Weicker opposed Dodd amendment

objective [illegible]

Dodd did not [illegible]

Dodd's staff

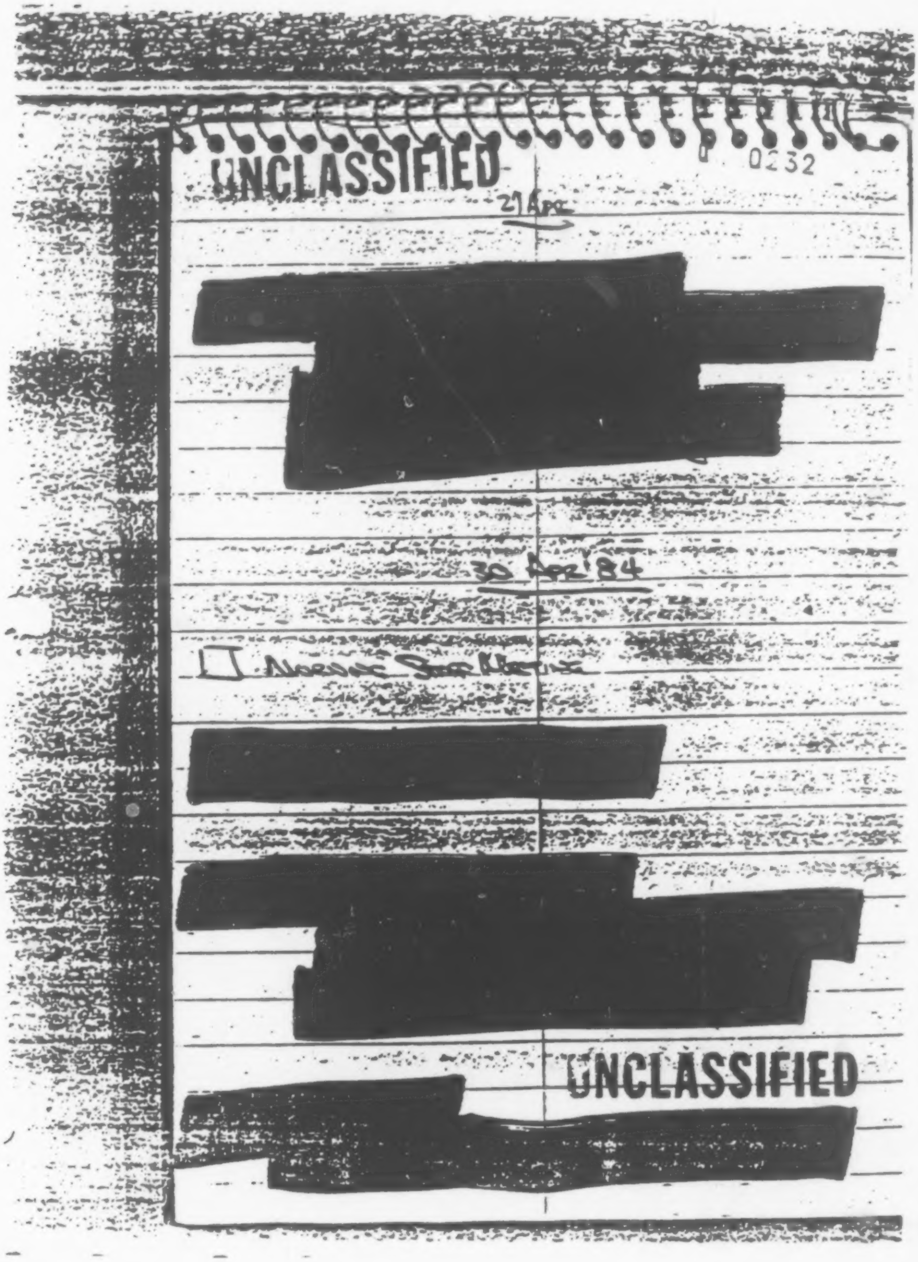
- [illegible] of Contra aid
- free standing
- [illegible]
- [illegible] legislation

☐ Call to [illegible]

[illegible]

[redacted]

UNCLASSIFIED



UNCLASSIFIED

0232

27 Apr

[redacted]

30 Apr '84

☐ Nordic Staff Meeting

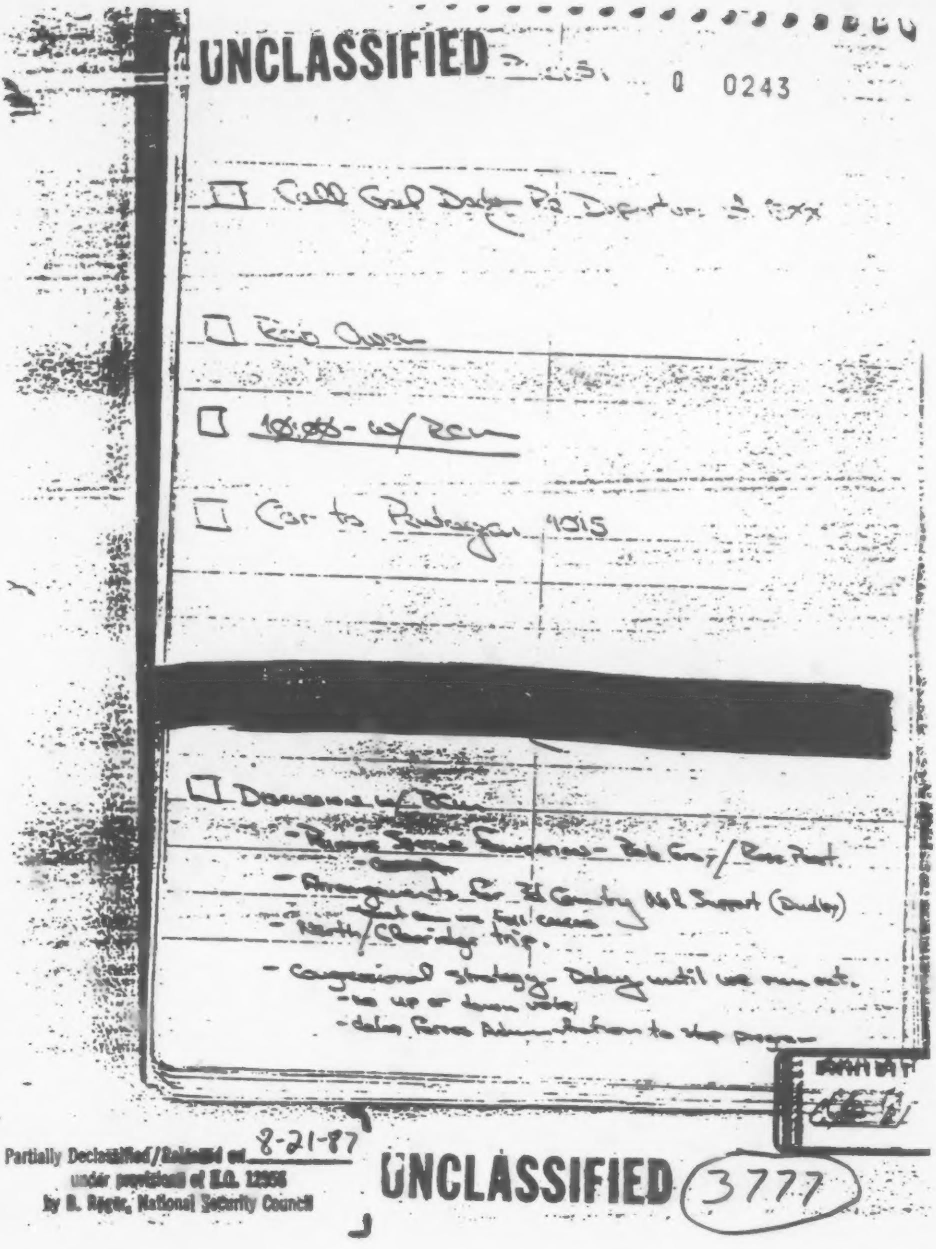
[redacted]

[redacted]

UNCLASSIFIED

[redacted]

## EXHIBIT CG-61



UNCLASSIFIED [illegible] 0 0243

☐ Call Gen'l Dodge re Departure [illegible]

☐ Rob Owen

☐ 10:00 - w/ RCM

☐ Car to Pentagon 1015

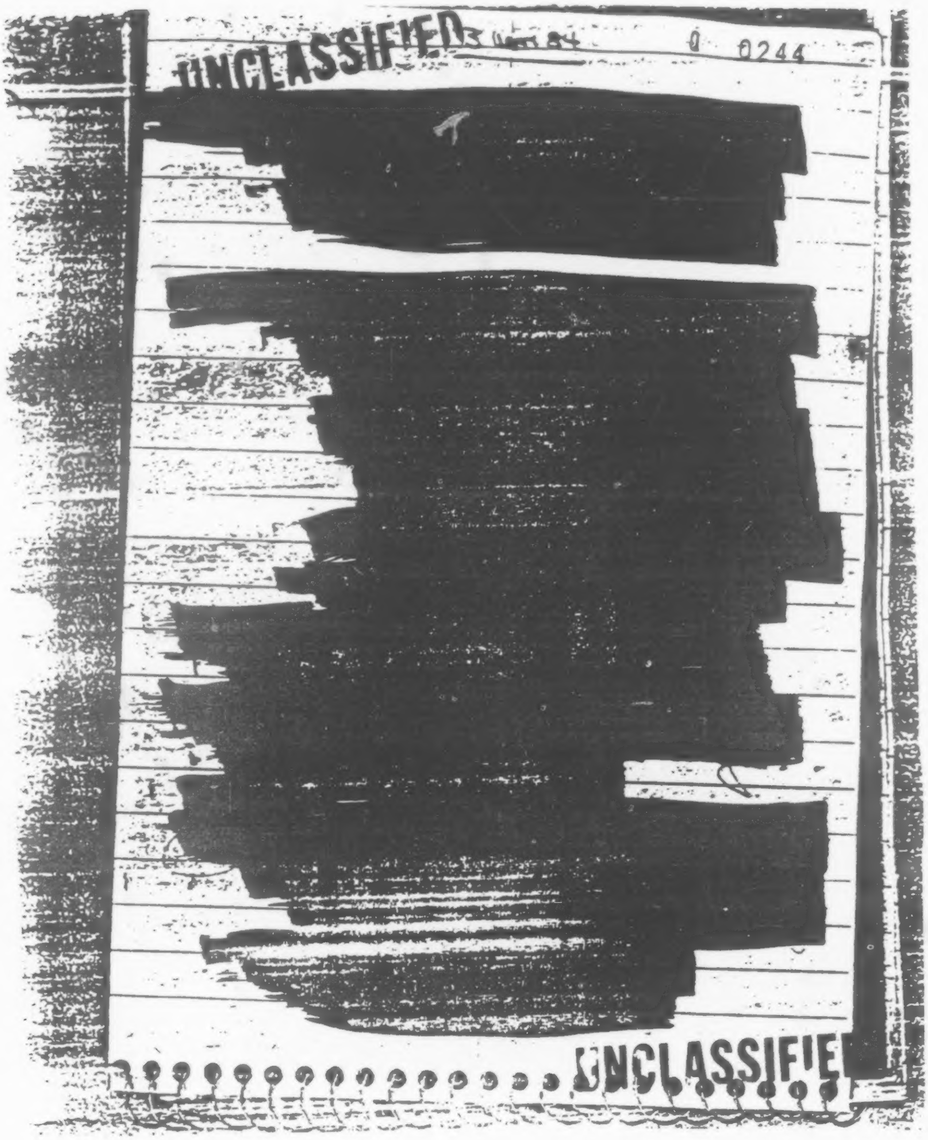
[redacted]

☐ Discussions w/ RCM
- Possible Special Emissaries - Bob Gray / Ross Perot.
- ~~[illegible]~~
- Arrangements for 3d Country Add'l Support (Dudley) [illegible] — full cases
- North/Clarridge trip.
- Congressional Strategy - Delay until we can act.
  - no up or down vote
  - delay forces Administration to the program—

EXHIBIT [illegible]

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED 3777



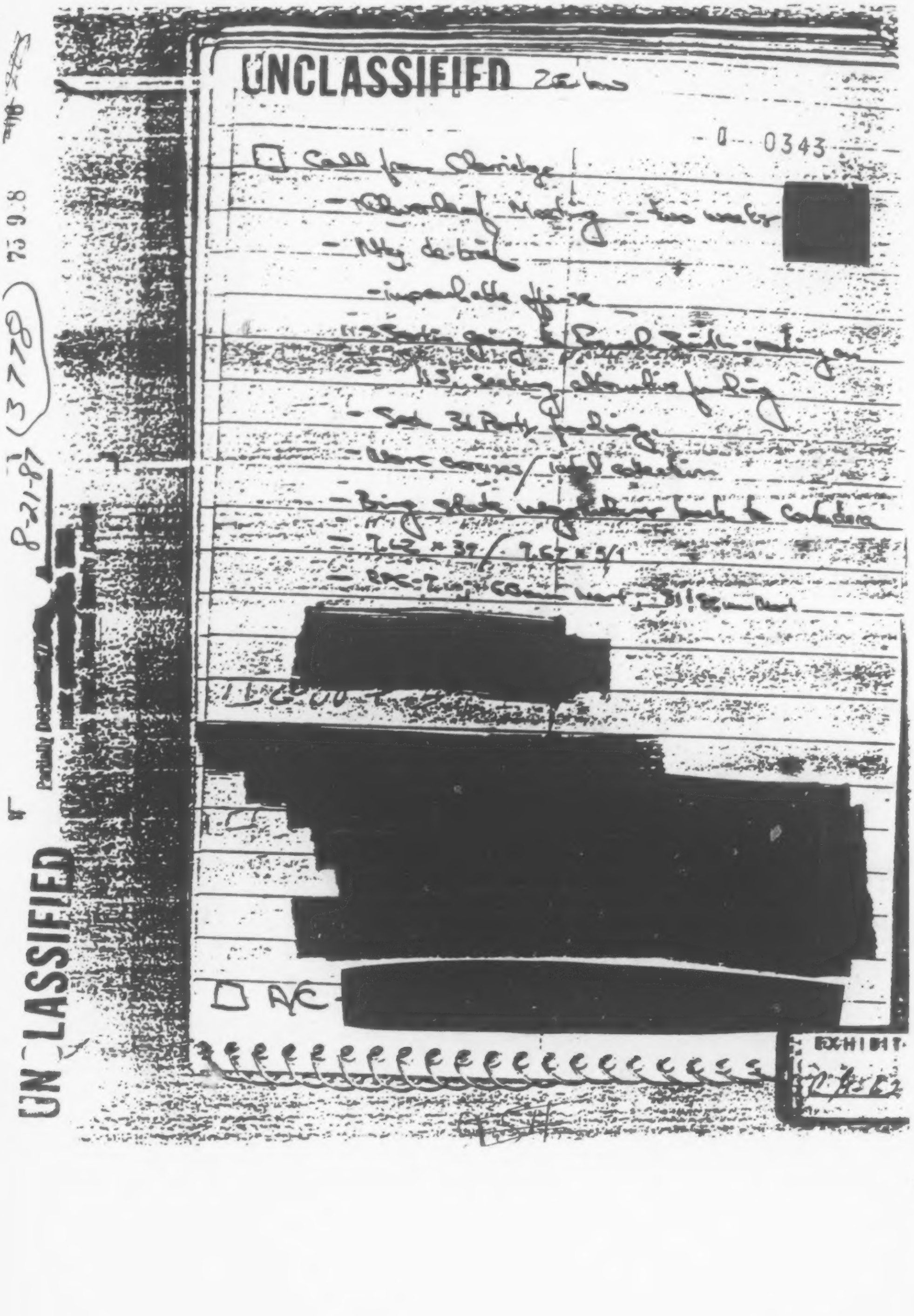
UNCLASSIFIED 3 [illegible] 84 0 0244

[redacted]

[redacted]

UNCLASSIFIED

## Exhibit CG-62



UNCLASSIFIED Zelenow

0 0343

☐ Call from Clarridge
- [illegible] Meeting - two weeks [redacted]
- Mtg de-brief
  - [illegible] office
- U.S. [illegible] going [illegible]
  - U.S. seeking alternative funding
- Seek 3d Party funding
- [illegible] / total education
- Big state negotiations back to Contadora
- 7.62 x 39 / 7.62 x 51
- RPC-7 [illegible]

[redacted]

[redacted]

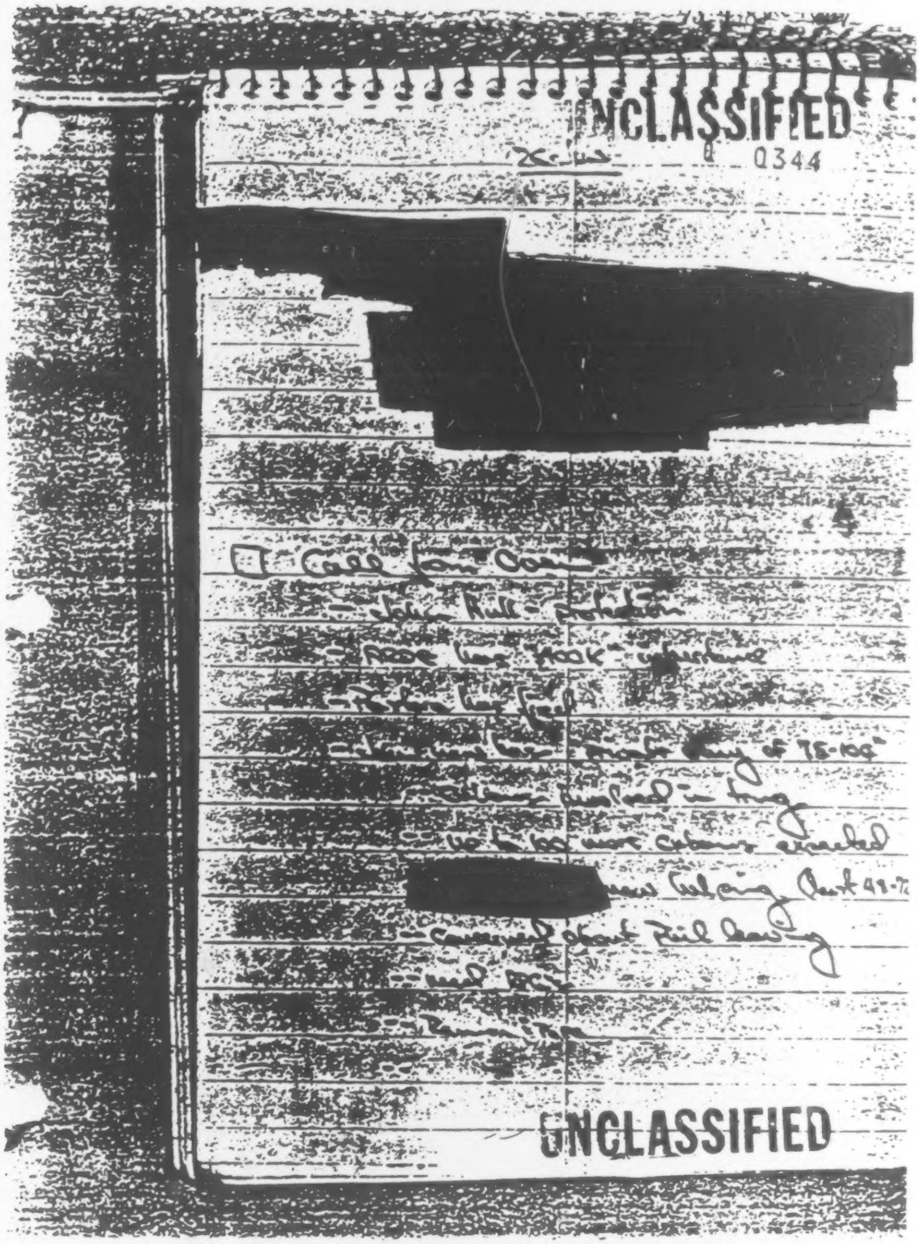
☐ A/C [redacted]

8-21-87 (3778) 75 9.8

Partially Declassified

UNCLASSIFIED

EXHIBIT



UNCLASSIFIED

0344

[redacted]

☐ Call from Don

— John Hull - protection

— FDN has 400K - warehouse

— [illegible] has [illegible]

— [illegible] has — [illegible] of 75-100

— [illegible] involved in [illegible]

— 40 to 100 more cubans expected

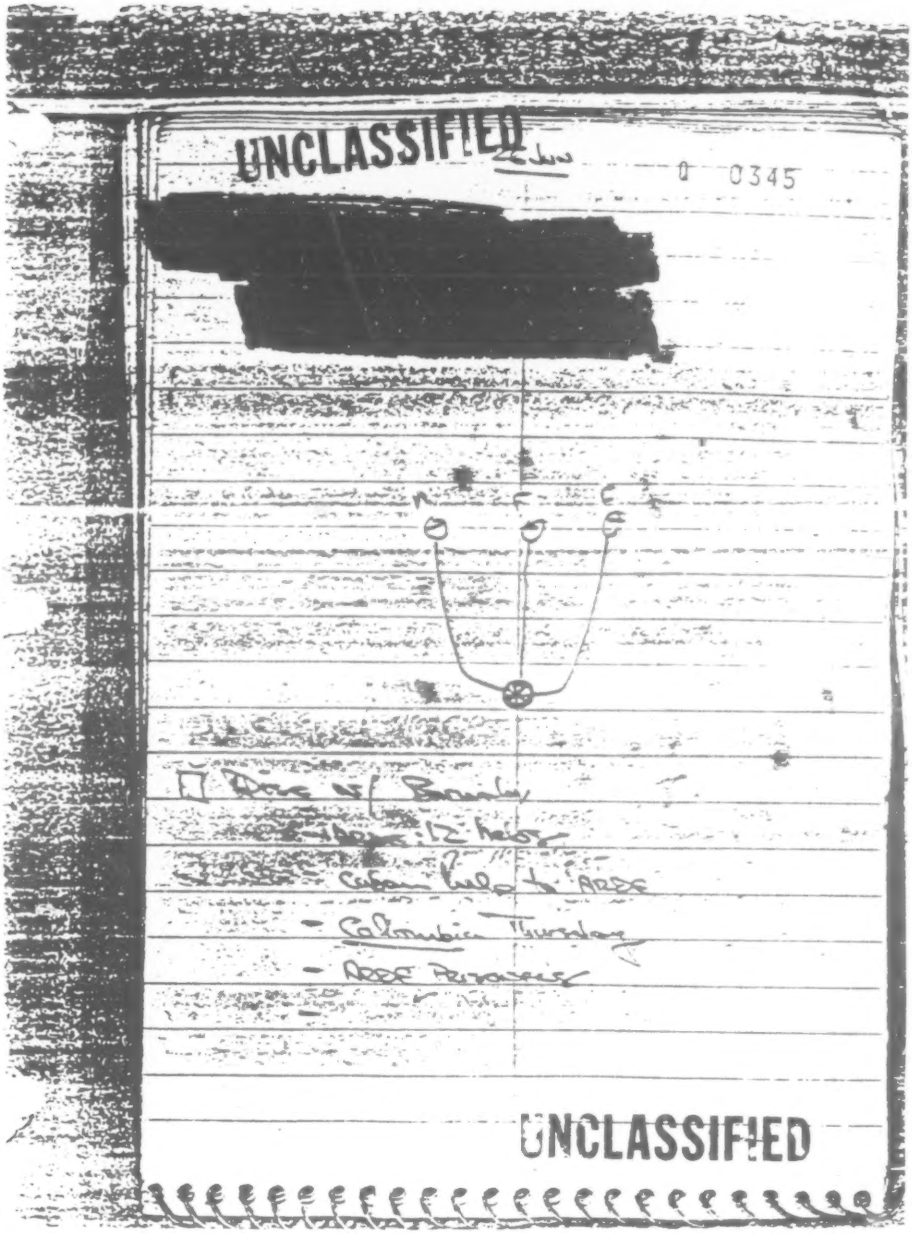
[redacted] now helping out 49-7

— concerned about [illegible] leaving

— need $$

— Ramon [illegible]

UNCLASSIFIED



UNCLASSIFIED

0 0345

[redacted]

☐ Dave w/ Bowley

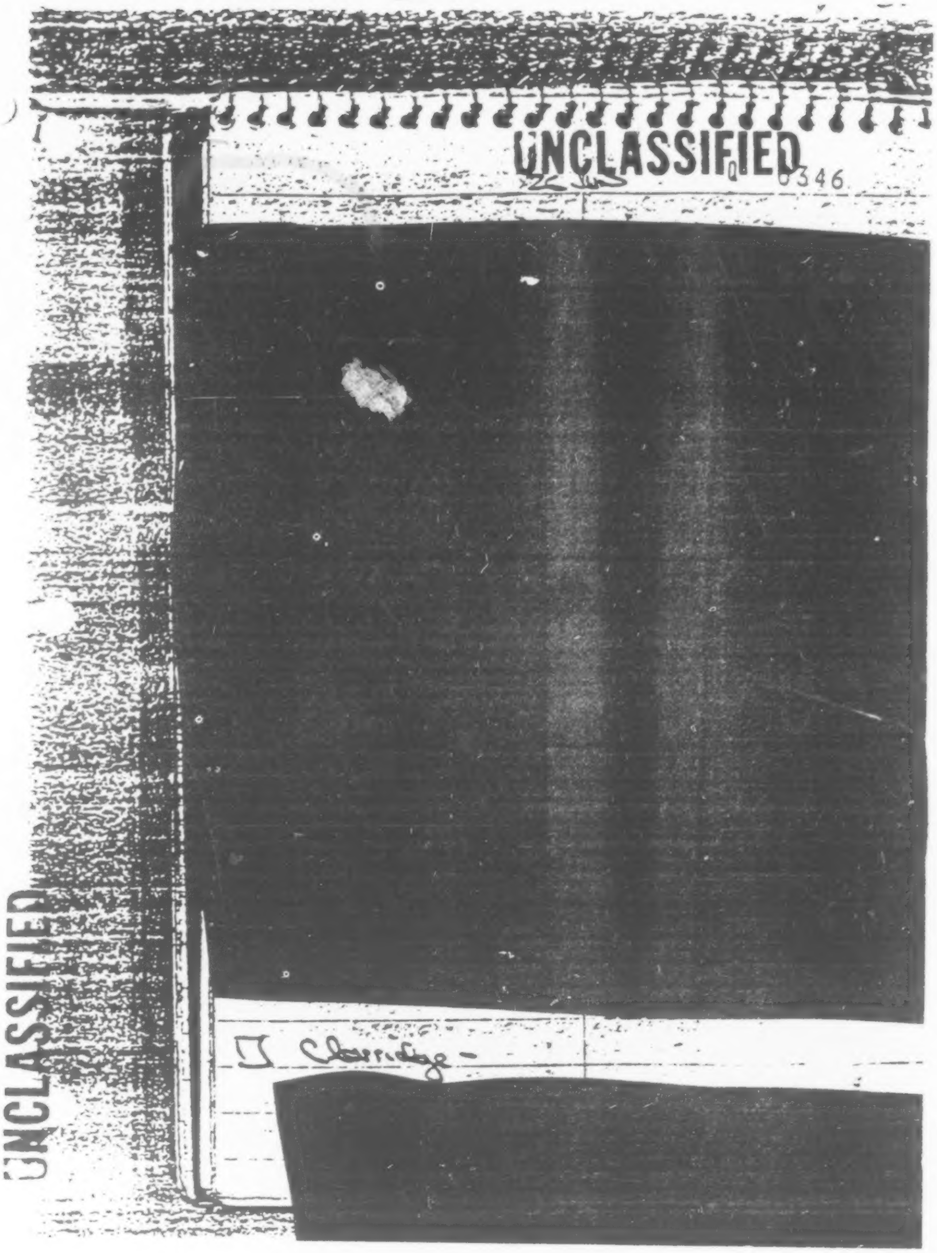
- ARDE: 12 helos

- Cuban help to ARDE

- Colombia Thursday

- ARDE Prisoners

UNCLASSIFIED



UNCLASSIFIED

0346

22 Jun

[redacted]

J Clarridge -

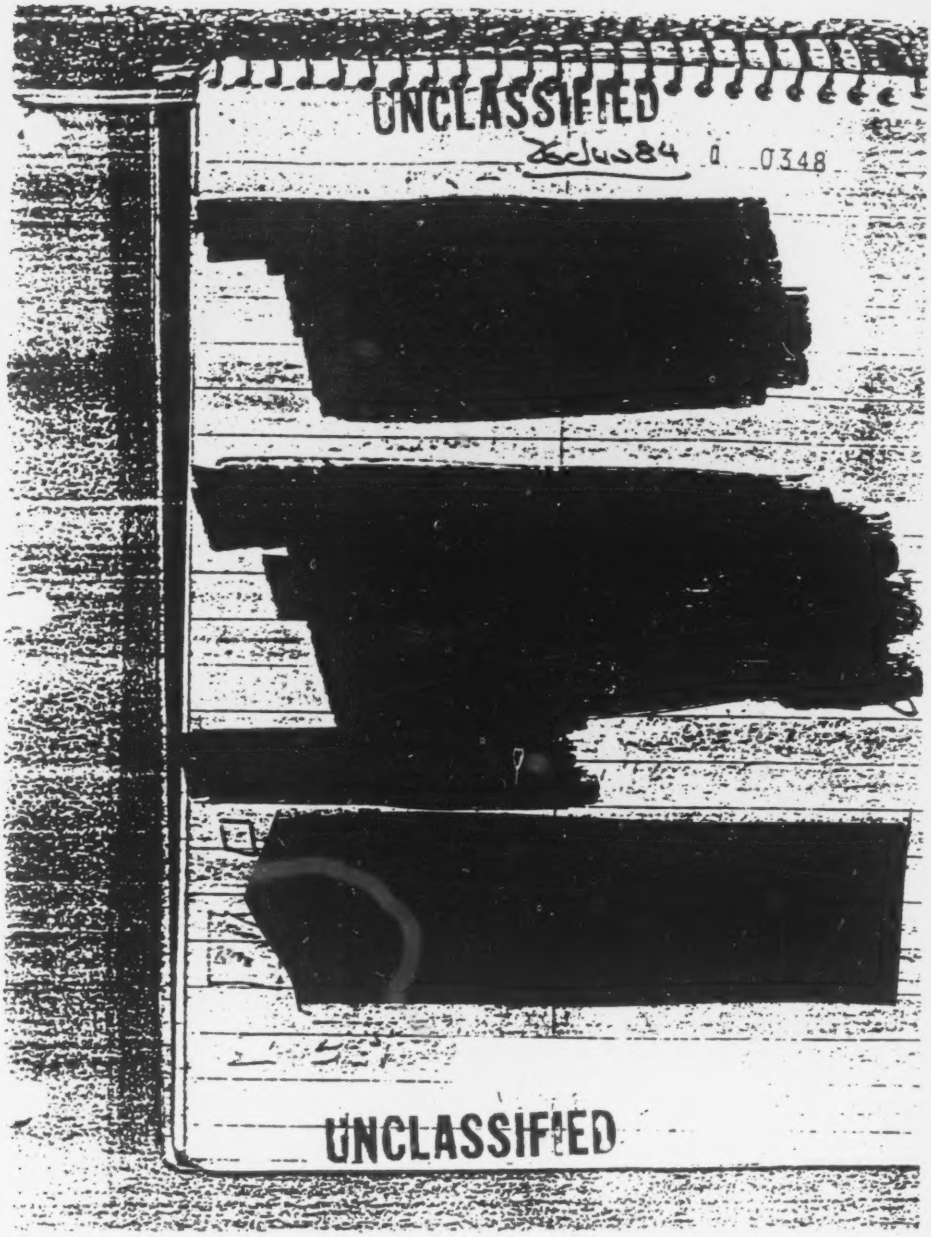
[redacted]

UNCLASSIFIED

UNCLASSIFIED

Page Q0347 denied in its entirety.

UNCLASSIFIED



UNCLASSIFIED

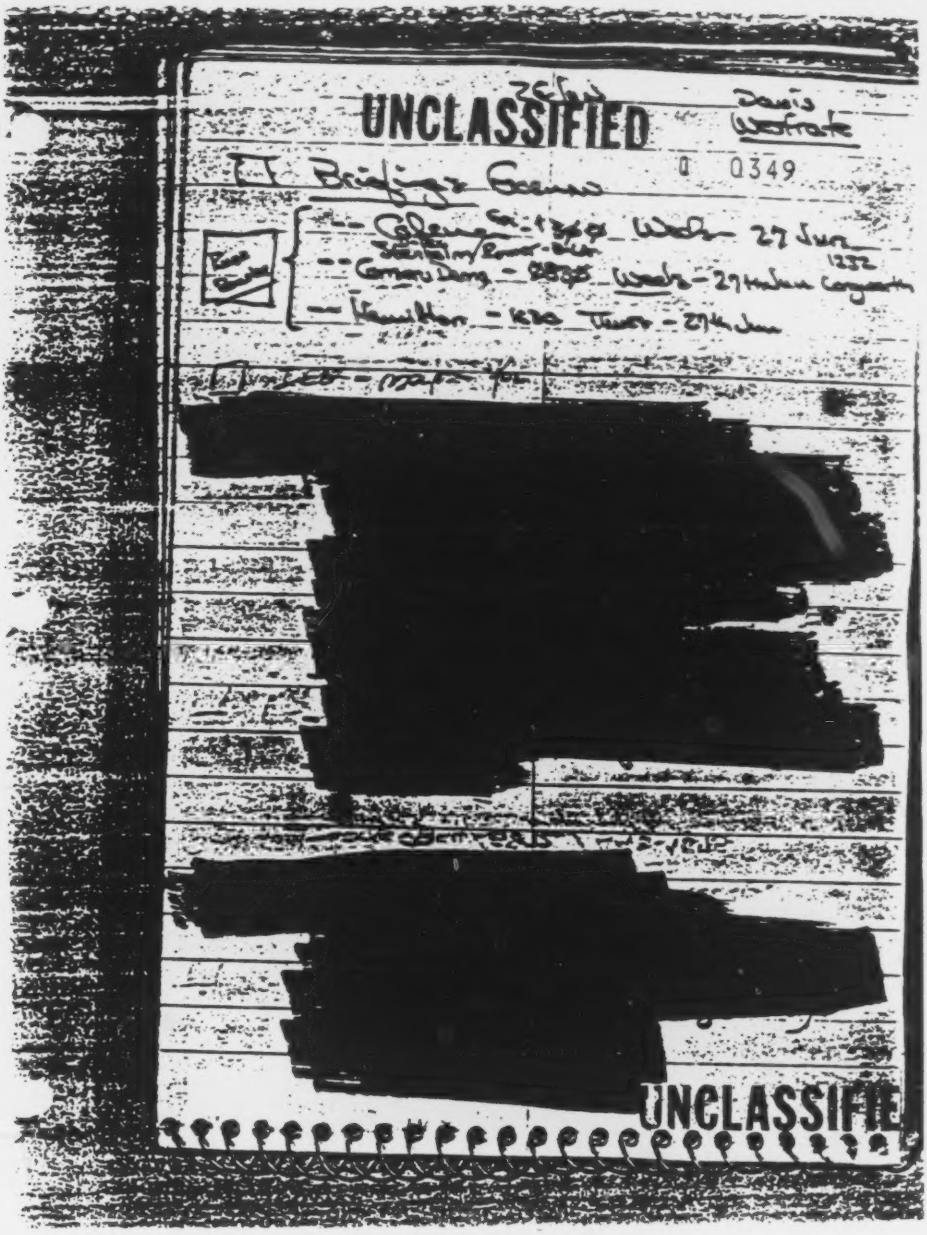
26Jun84 0 0348

[redacted]

[redacted]

[redacted]

UNCLASSIFIED



26 Jun

UNCLASSIFIED

Davis
Wolfcroft

Q 0349

☐ Briefings: Congress

-- Coleman - 1340 - Weds - 27 Jun
Stenholm/Roemer-[illegible]
1232
-- Cameron [illegible] - 0800 - Weds - 27 [illegible] Congress
-- Hamilton - 1230 - Thurs - 27th Jun

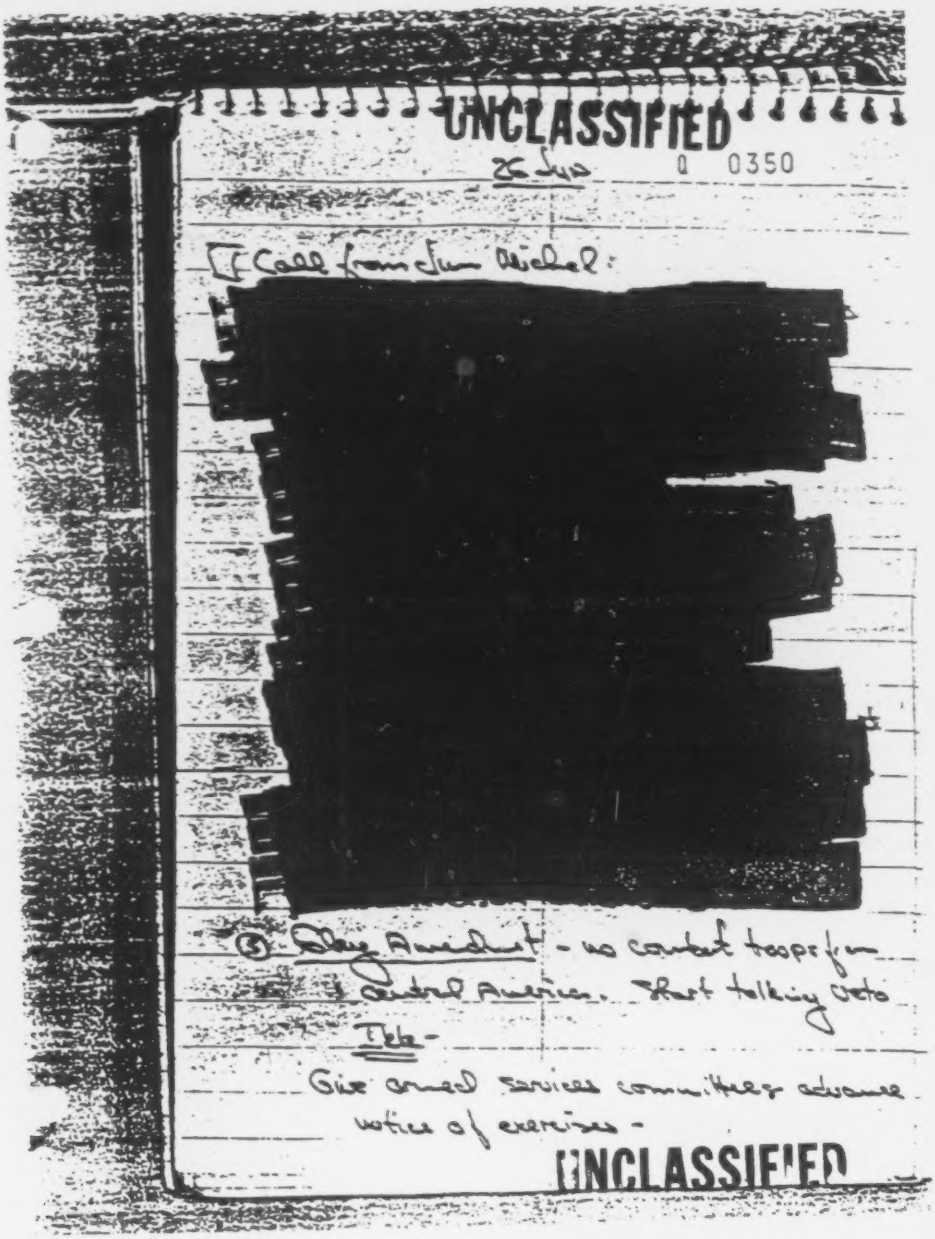
☐ [illegible] - Maps - Yes

[redacted]

[illegible]

[redacted]

UNCLASSIFIED



UNCLASSIFIED

26 Jun

Q 0350

☐ Call from Jim Michel:

[redacted]

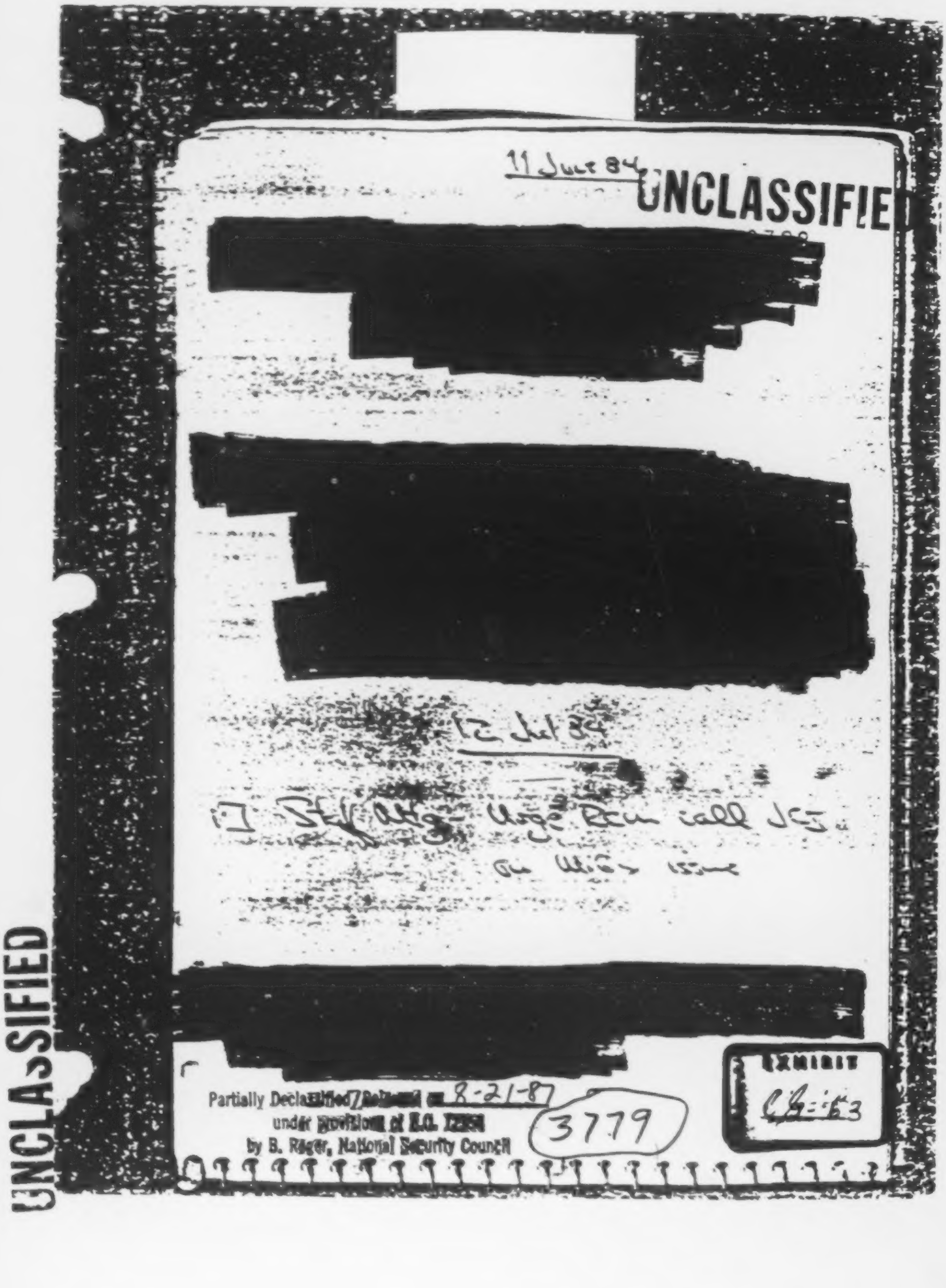
③ Obey Amendment - no combat troops for Central America. Start talking Veto

Ike -

Give armed services committees advance notice of exercises -

UNCLASSIFIED

## EXHIBIT CG-63



11 JULY 84 UNCLASSIFIED

[redacted]

[redacted]

12 Jul 84

1) Staff Mtg - Urge RCM call JCS
on MiGs issue

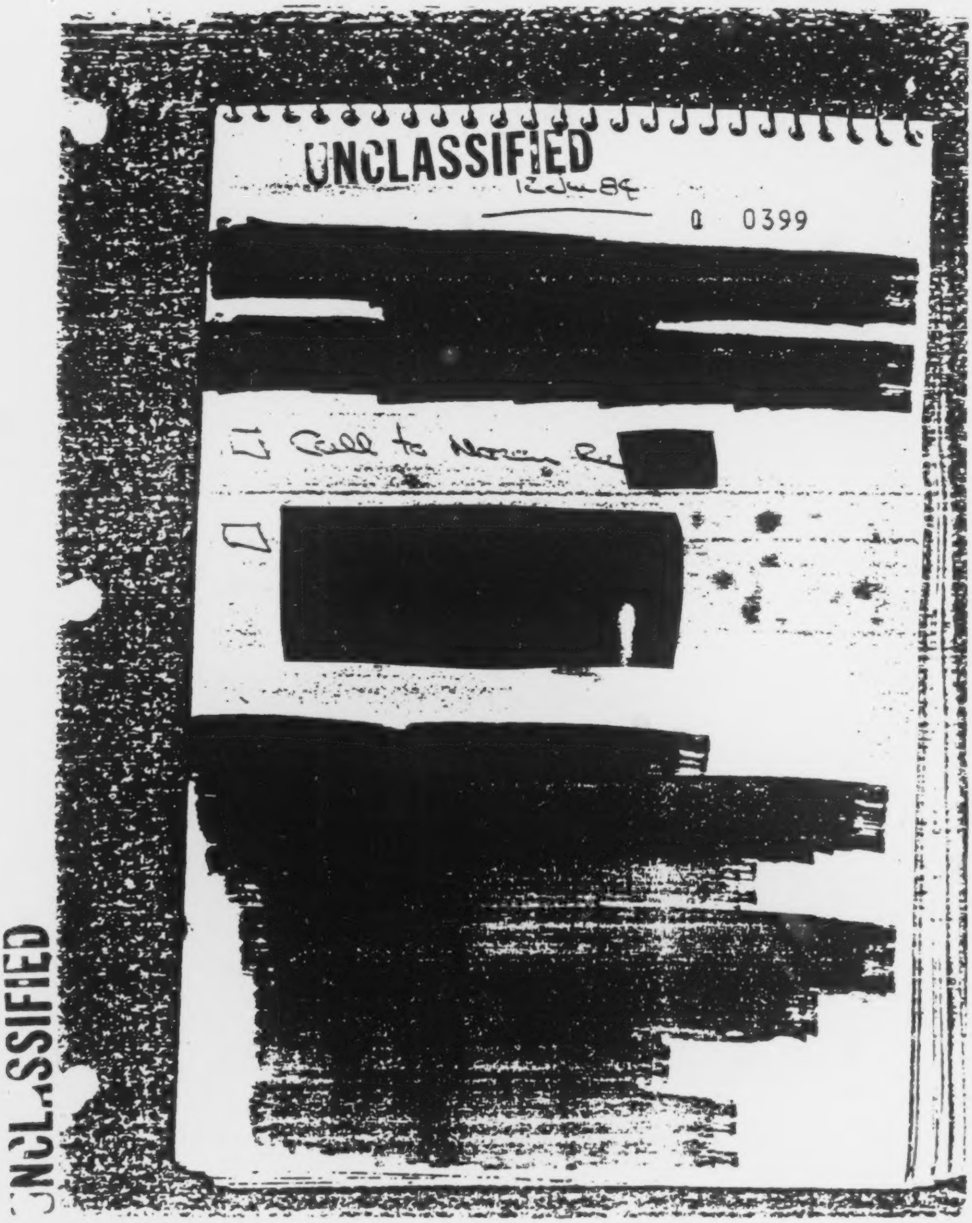
[redacted]

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

3779

EXHIBIT
CG-63

UNCLASSIFIED



UNCLASSIFIED

12 Jun 84

0 0399

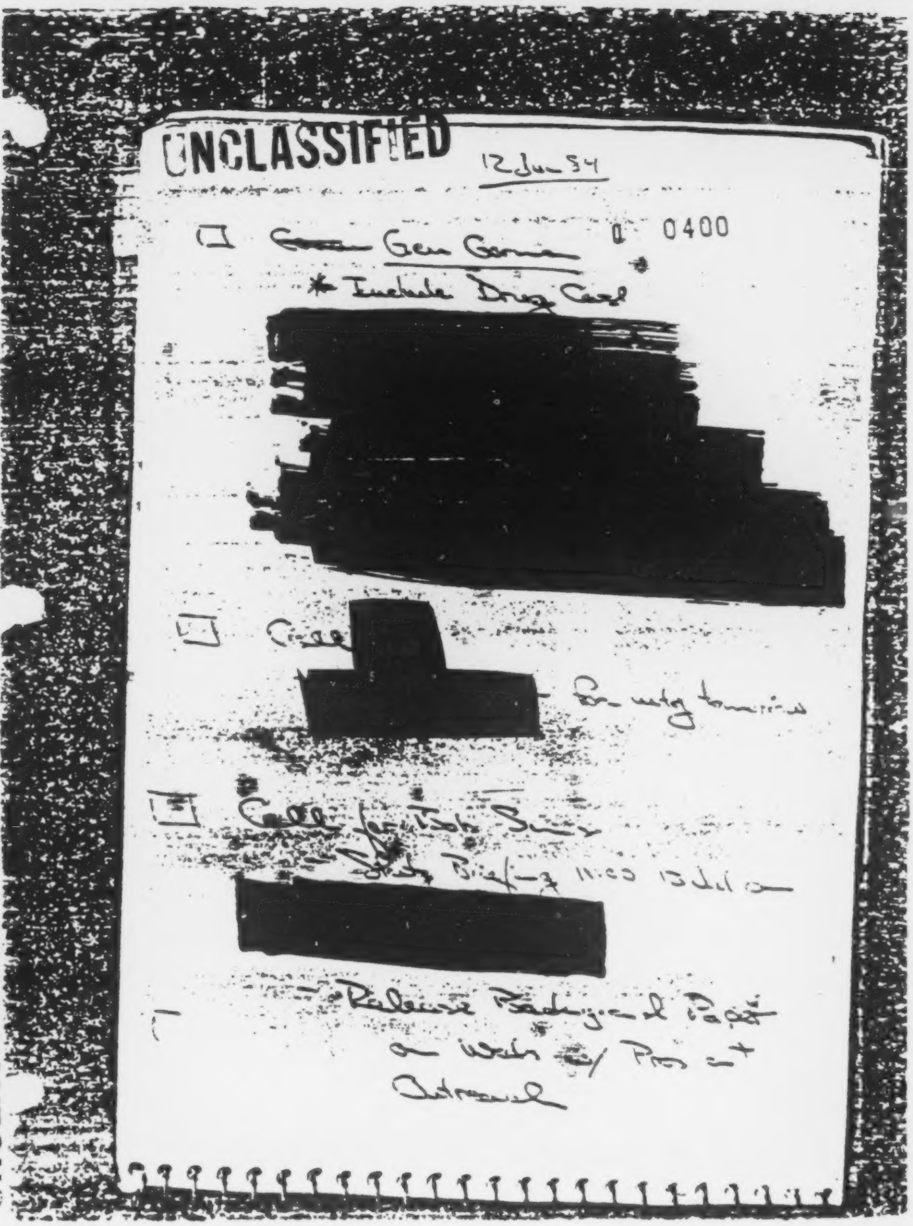
[redacted]

☐ Call to Noriega re [redacted]

☐ [redacted]

[redacted]

UNCLASSIFIED



UNCLASSIFIED

12 Jul 84

☐ ~~[illegible]~~ Gen Gorman 0400

* Include Drug Card

[redacted]

☐ Call [redacted] for mtg tomorrow

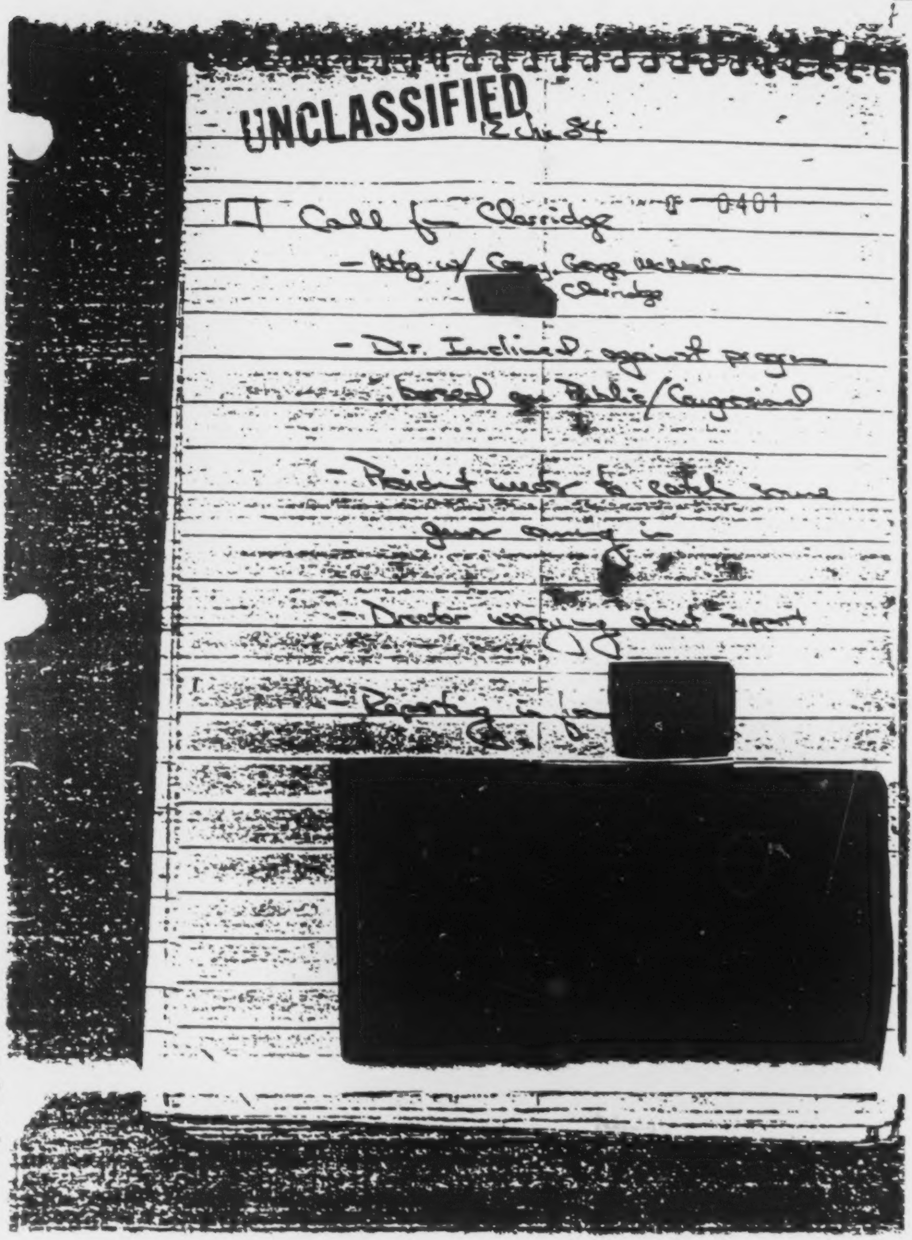
☐ Call for Task Summ

Staff Briefing 11:00 13 Jul on

[redacted]

– Release Background Paper on Weds w/ Press at [illegible]

UNCLASSIFIED



UNCLASSIFIED

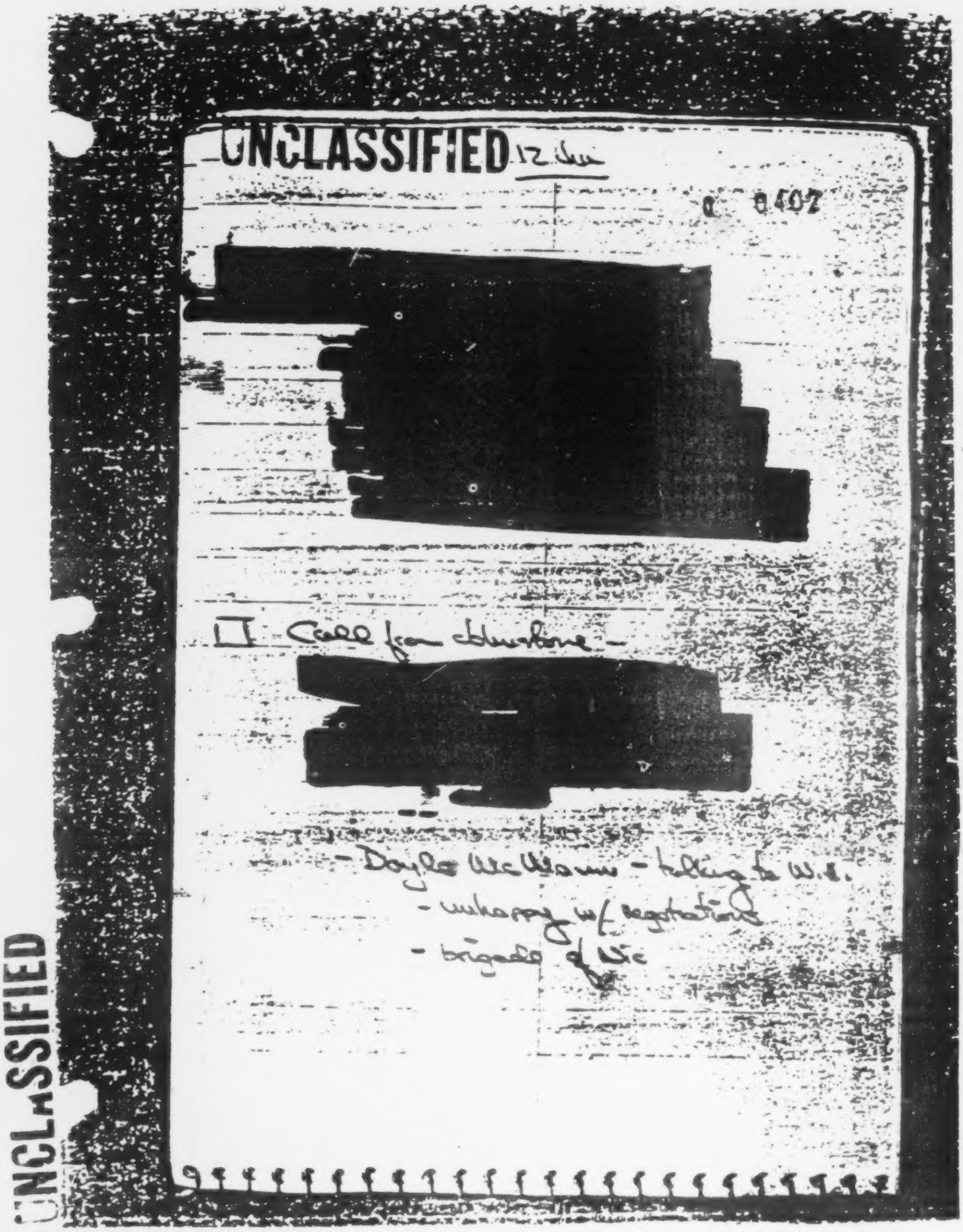
12 Jun 84

☐ Call for Clarridge 0401

- Mtg w/ Cong. George [illegible]
  [redacted] Clarridge
- Dr. Inclined against program
  Based on Public/Congressional
- President wants to catch some
  guns coming in
- Director worrying about support
  [illegible]
- Reporting info [redacted]

[redacted]

UNCLASSIFIED



UNCLASSIFIED 12 Jun

Q 0402

[redacted]

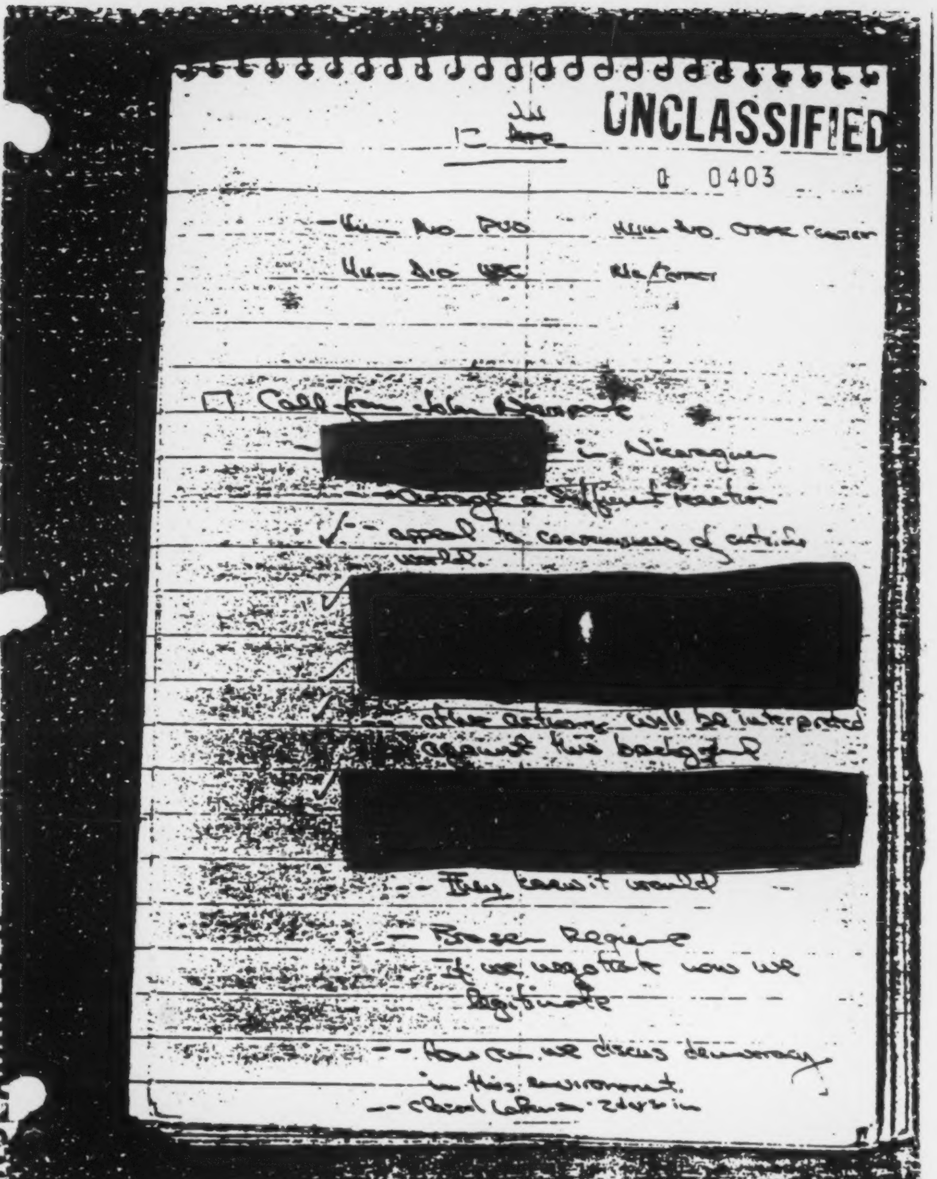
II - Call from Clarridge -

[redacted]

- Doyle McManus - talking to W.H.
- unhappy w/ negotiations
- brigade of Nic

UNCLASSIFIED

1



12 Jul ~~Apr~~

UNCLASSIFIED

Q 0403

— Hum Aid PDD — Hum Aid State Center

Hum Aid [illegible] — [illegible]

☐ Call from John [illegible]

— [redacted] in Nicaragua

— arrange a different reaction

✓ -- appeal to conscience of civilized world.

✓ [redacted]

✓ -- other actions will be interpreted against this background

✓ [redacted]

-- They knew it would

-- Brazen Regime

If we negotiate now we legitimate

-- How can we discuss democracy in this environment.

-- [illegible] 24x7 in

UNCLASSIFIED

## EXHIBIT CG-64

UNCLASSIFIED

—C 0415

OGC-84-51747
23 August 1984

MEMORANDUM FOR: General Counsel

FROM: [redacted]
Office of General Counsel

SUBJECT: H.R. 5399 -- Section 107, Prohibition on Covert Assistance for Military Operations in Nicaragua

1. The Director has asked for a legal interpretation of the restriction contained in Section 107 of H.R. 5399, which was recently passed by the House of Representatives. More specifically, OGC has been asked to analyze the effect of this provision on expenditures for staff salaries [redacted] In my view, while we plainly can pay all of these fixed costs on the basis of other appropriations, we just as clearly cannot utilize these resources in any activities which would have the effect of supporting paramilitary operations in Nicaragua by anyone.

2. In addition, we have been asked to comment upon the use of third countries to continue the Nicaragua project. I believe the Agency can request third countries to carry on the program at their own expense so long as it is made clear that no U.S. funds would be used either now or in the future to repay such a commitment. The extent to which Agency personnel can be involved in soliciting third country support would have to be determined on a case-by-case basis.

3. Although the language of Section 107 differs only slightly from that of Section 108 of the Intelligence Authorization Act for FY 84 (hereinafter Section 108), the legal effect of those differences is substantial. Section 107 reads as follows:

> PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA
>
> Sec. 107. During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or

EXHIBIT
C.G-64

ALL PORTIONS
~~SECRET~~

UNCLASSIFIED

CL BY 05.0899
DECL OADR
DERIVED FROM FOR 5, 6, 7, 8
& 9-2

3780

~~SECRET~~
Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
By B. Reger, National Security Council

Executive Registry 5986

C(1)(2)/652

UNCLASSIFIED

75 9 8

C 0416

> which would have the effect of supporting directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.[1]

On its **face and by its** very title, the House version operates as a total **prohibition on the** use of any funds by U.S. intelligence elements **during FY 85 for** direct or indirect support of military or paramilitary operations in Nicaragua by anyone. This language effectively blocks all direct U.S. activities in Nicaragua and precludes U.S. financial support for the Contras during FY 85 by any means. In dissecting Section 107, we are faced with the following restrictions:

A) RESTRICTION ON TIME -- This prohibition would operate throughout FY85 and any subsequent supplemental appropriations would likewise be subject to its restrictions. Should this language become the final version of next year's Intelligence Authorization Act, as of 30 September 1984, an amendment of the Section would be required in order to legalize spending for the Nicaragua program.

B) RESTRICTION ON FUNDS -- The wording contained in Section 107 that "no funds available" may be obligated or expended for the restricted purpose translates into a total prohibition on all activities supporting paramilitary operations in Nicaragua that require funding by the U.S. The funds available are not limited by year of appropriation. Thus, reprogramming of prior year funds and releases from the Reserve for Contingencies would be prohibited. Moreover, the prohibition is not limited by its language to appropriated funds. The broadness of the wording of this section appears to prohibit the use of funds

---

[1] By comparison, Section 108 of the Intelligence Authorization Act for FY 1984 reads as follows:

LIMITATION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

Sec. 108. During fiscal year 1984, not more than $24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

UNCLASSIFIED

Executive Registry 5987

C110/657

UNCLASSIFIED

75 9.8 [illegible]

C 0417

made "available" to the Agency by other nations, groups or individuals. Therefore, the Agency could not conduct the covert action while another nation, group or private individual foots the bill.

C) RESTRICTIONS ON OBLIGATIONS OR EXPENDITURES -- This restriction on both obligations and expenditures of funds available in FY85 not only precludes Agency spending now for the restricted purpose, but forbids the making of commitments to spend available funds at some future time. This same language is contained in FY84's spending cap and the question was raised in that situation whether funds obligated in FY83, but expended in FY84, would be subject to the $24 million limitation. It is my understanding that the question was informally resolved because the Committees reportedly did not intend the limitation to effect funds already obligated. In any event, funds that have been obligated arguably are not "available" to the Agency in a technical sense. To avoid future uestions by the Committees, however, it might be appropriate to urge Congress to modify any final restrictive language in a manner that clarifies this point. Perhaps adding to the phrase "no funds available" the words "for obligation" would narrow the restriction.[2]

---

[2] There has been at least one instance where the language of a proposed amendment required the deobligation of funds and their return to the Treasury. Senator Proxmire offered the following amendment to the Department of State Authorization Act for FY84-85, S. 1342:

> PROHIBITION ON CERTAIN ASSISTANCE TO THE KHMER ROUGE IN KAMPUCHEA
>
> Sec. 701. (a) Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this Act or any other Act may be obligated or expended for the purpose, or with the effect, of promoting, sustaining or augmenting, directly or indirectly, the capacity of the Khmer Rouge or any of its members to conduct military or paramilitary operations in Kampuchea or elsewhere in Indochina.
>
> (b)(1) All funds appropriated before the date of enactment of this section which were obligated but not expended for activities having the purpose or effect described in subsection (a) shall be deobligated.
>
> (2) All funds deobligated pursuant to paragraph (1) shall be deposited in the Treasury of the United States as miscellaneous receipts.

Executive Registry 5988

UNCLASSIFIED

CIM/657

UNCLASSIFIED

C 0418

D) RESTRICTION ON WHO MAY SPEND -- The provision expressly [illegible] the CIA, DoD and "any other agency or entity of the U.S. involved in intelligence activities" [illegible] whose funds are subject to the restrictions. This language appears to prohibit use of funds made available to the Department of State, to the extent that expenditure of those funds would have the effect of supporting paramilitary operations. Section 107 does not, however, prohibit the Department from obligating or expending funds for diplomatic or other purposes in Nicaragua. Although the restriction does not apply to entities not involved in intelligence, such as the Department of Agriculture, for example, any appropriated funds available to those agencies could not legally be expended for unauthorized purposes under traditional appropriations law. Obviously such other agencies are not authorized by law to conduct paramilitary operations.

E) RESTRICTION ON PURPOSE OR EFFECT -- The language of Section 107 requires the Agency not only to refrain from committing or spending funds for the express purpose of supporting paramilitary activities in Nicaragua, but also demands that the CIA anticipate the "effect" of its expenditures. Thus, funds given to the Contras that were being expended, for example, to provide humanitarian support, interdict the flow of arms in the region or assist with public relations efforts, would be prohibited only if such assistance were determined to have the "effect" of supporting paramilitary activities in Nicaragua. While the language of Section 107 itself can be construed to permit humanitarian aid by U.S. intelligence elements, the legislative history indicates that the bill's proponents would oppose any assistance to the Contras.

F) RESTRICTION ON DIRECT OR INDIRECT SUPPORT FOR MILITARY OR PARAMILITARY OPERATIONS -- The restriction on direct or indirect support for military/paramilitary operations prohibits the funding of any Agency activities which have a reasonable nexus with the Nicaraguan covert action program. While the interpretation of "direct" support may cause us few problems, how to define what will have the effect of indirectly supporting such activities in Nicaragua cannot be determined with certainty. Rather than drawing a thin line, this language paints a gray zone subject to interpretation. The provision of medical supplies to the Contras, for example, arguably has the "effect" of "indirectly" supporting their paramilitary activities.

UNCLASSIFIED

Executive Registry 5989

CMO/257

UNCLASSIFIED

C 0419

This point takes on particular significance when we compare this year's $24 million cap with the "no funding prohibition of Section 107. As we were approaching the cap, CIA informed the Committees that the Agency had not exceeded the statutory $24 million limitation. We responded to congressional inquiries regarding certain expenditures by treating the matter as an accounting issue and distinguishing direct or indirect support from direct and indirect costs. We noted that the legislative history gave no indication that all "indirect costs" conceivably related to the program must be charged against the cap and that we had charged costs in accordance with long-standing Agency accounting procedures. The SSCI found no problems with this explanation, but the majority members of HPSCI stated their belief that all direct and indirect costs of the program should have been charged against the cap.3/

The essential difference between the cap and the prohibition is that, in the former, the Agency had authorization for an ongoing program and could expend funds and account for them in some way until $24 million was reached; in Section 107 no expenditures can be charged against the Nicaraguan covert action program.

The only useful discussion of the meaning of the terminology "directly or indirectly" is found in the House Report on H.R. 2760, which attempted to impose an absolute ban on support for military/paramilitary operations in Nicaragua. The language of that bill is

---

3/ Only one reference was made during the floor debate to the accounting practices utilized by the intelligence community in accounting for FY84 funds. Congressman Miller remarked:

> I would also suggest that the funding is illegal, because never have I seen such magnificent bookkeeping that can allow this $21 million to go the number of months that it has. They are always going to run out just before we take up the bill, but when the bill does not come out the way the intelligence community likes, then they are able to fund it for several months because somehow the economies are worked out. This is the most efficiently run war in history if they can make $21 million go this far. But we know that is not what is going on. There is diversion of other military sources and there is the raising of money in the private sector to support these mercenaries.

UNCLASSIFIED

Executive Registry 5990

C112/657

UNCLASSIFIED

75 9.8

C 0420

similar to the wording of Section 107 and may be helpful in[illegible]ng what the House had in mind.4/ The sect[illegible] analysis of the relevant provisio[illegible]s of "indirect support" in the context of su[illegible]s of entities outside Nicaragua which operate within Nicaragua. The specific example given to show the type of indirect support that would be prohibited was training conducted exclusively outside Nicaragua if given in preparation for military or paramilitary activity inside Nicaragua.

The report expressly noted that the section would not prohibit the collection, production or analysis of intelligence. Nor would it prohibit the provision of that intelligence to foreign governments, as long as the provision of such intelligence did not support military/paramilitary operations in Nicaragua by foreign nations or other entities.

G) RESTRICTION ON PLACE -- Section 107 prohibits the financial support of military or paramilitary activities in Nicaragua. Funding for any activity which would take place outside Nicaragua but would have the effect of supporting paramilitary operations inside Nicaragua would thus be forbidden.

H) RESTRICTION ON WHO DOES THE OPERATIONS -- The restriction against funding applies to paramilitary operations "by any nation, group, organization, movement, or individual." This wording effectively prohibits the Agency's funding of such activities via intermediaries.

Legislative History

4. The legislative history is helpful only for discerning the spirit behind Section 107. There is no analysis of the wording in 20 pages of floor debate. 130 CONG. REC. H8264-84

---

4/ OPERATIONS IN NICARAGUA

SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual. H.R. 2760, 98th Cong., 1st Sess. (1983).

Executive Registry 5991

UNCLASSIFIED

UNCLASSIFIED

(daily ed. Aug. 2, 1984). Both those in favor of and those against the restriction agreed, however, that Section 107 bans the provision of any funds for military or paramilitary activities in Nicaragua and that the intent is to terminate U.S. assistance to the Contras.

C 0421

5. Congressman Boland stated in his opening remarks that the single issue is "disagreement on the effectiveness and appropriateness of a particular covert action to overthrow the government of another nation." Id. at 8266. He later added that "our policy does not strengthen democracy in Nicaragua" and that "(t)his secret war should end -- today." Id. at 8276. Congressman Hyde noted that Section 107 "forbids any assistance to the freedom fighters in Nicaragua ..... No food, no medicine, no ammunition, not even moral support." Id. at 8269. The spirit of Section 107 is abundantly clear -- the House expects Section 107 to end U.S. assistance to the Contras.

6. While the drafters more than likely attempted to imitate the Clark Amendment's prohibition on assistance of any kind for paramilitary operations in Angola,[5] it can be argued that the Section 107 restriction is somewhat different. Unlike the Clark Amendment, this section limits all funds rather than all assistance and it could be thought, therefore, to permit certain activities precluded under the Clark Amendment. Section 107 can be read to allow assistance that either does not require funding by intelligence elements or that does not directly or indirectly support paramilitary operations.

Staff Salaries. [redacted]

7. With regard to the staff salaries [redacted] Section 107 would prohibit the obligation or expenditure of funds available to the

---

[5] The Clark Amendment reads, in pertinent part:

> Limitation on certain assistance to and activities in Angola
>
> Sec. 401(a) Notwithstanding any other provision of law, no assistance of any kind may be provided for the purpose, or which would have the effect, of promoting or augmenting, directly or indirectly, the capacity of any nation, group, organization, movement, or individual to conduct military or paramilitary operations in Angola unless and until the Congress expressly authorizes such assistance by law enacted after the date of enactment of this section.

UNCLASSIFIED

Executive Registry 5992

C1101/657

UNCLASSIFIED 75 9 8 224

Agency [redacted] salaries [redacted] extent that those expenditures would have the eff[redacted] supporting paramilitary operations in Nicaragua. The question of allocation of these costs, which was an important point under the spending cap, is not an issue under the wording of Section 107. Since no funds can be obligated or expended in FY85, no covert action program by the U.S. which supports paramilitary operations in Nicaragua is possible.

C 0422

Provision of Aid by Third Countries

8. With regard to the provision of aid by third countries, Section 107 prohibits funding, not discussion. This issue also presents a gray zone subject to interpretation. Certainly asking other countries to provide aid on their own is not prohibited so long as there is no quid pro quo. If, however, the third country expected repayment from the U.S., such assistance would be forbidden. If such a country provided aid with the understanding that the U.S. would provide an equal amount for one of their programs, the Agency would be in violation of both the letter and the spirit of Section 107 and would be open to charges of deliberate circumvention of the law.

9. The more difficult question is the extent to which Agency personnel can be used to solicit third country assistance. In my view, when FY85 begins, Section 107 prohibits the payment of the salaries and expenses of personnel for solicitation of third country assistance because such efforts would have the effect of indirectly supporting paramilitary operations in Nicaragua. Once again, on the spectrum of possible Agency activities to solicit third country assistance, some efforts would clearly be prohibited and others are arguably authorized. Payment of the salary and expenses of an employee whose full-time was dedicated to soliciting such assistance would contravene the restriction. On the other hand, requests for assistance by [redacted] in the course of his normal duties presents a closer case.6/

10. Another hypothetical situation poses troubling legal questions: the use of Agency personnel as couriers for funds provided by third countries to the Contras. While I believe such activity would be prohibited by Section 107 if the courier's sole function was to pass those funds, if that item was a de minimis part of the courier's functions, it could be argued that no funds were expended for the restricted purpose.

---

6/ If the President tasks the representative of a nonintelligence agency to solicit such assistance in diplomatic or other channels, the letter of Section 107 would not appear to be violated, but such action might be viewed by supporters of the restriction as a violation of the spirit of that prohibition.

C110/657

UNCLASSIFIED

Executive Registry 5993

UNCLASSIFIED 75 9.8 ~~228~~ 225

11. In any event, under the requirement to keep Congress fully and currently informed concerning intelligence activities, the Agen[redacted] required to advise the Committees of any plans to sol ntry assistance for the Contras.

C 0423

Conc[illegible]ion

[illegible] The congressional intent behind Section 107 is to stop cov[illegible]S. assistance to the Contras. The House crafted the languag[illegible]that section tightly in order to restrict in every way poss[illegible]y obligations or expenditures by U.S. intelligence elements [illegible] result in continued assistance to military or paramil[illegible]ities in Nicaragua. Should that language remain in the fina[illegible]orization act, in my view, any close cases would be viewed by the proponents of Section 107 as efforts to circumvent the statutory prohibition.

[redacted]

UNCLASSIFIED

Executive Registry 5994

cure/1457

UNCLASSIFIED

C [redacted] ribution
General [redacted] sel

E 0424

[redacted]

UNCLASSIFIED

Executive Registry 5995

C11011657

## EXHIBIT CG-65

UNCLASSIFIED

7 January 1985

EXHIBIT
CG-65

C007635

[illegible]NDUM FOR: Director of Central Intelligence

F[illegible] Stanley Sporkin
General Counsel

SUBJ[illegible] Nicaragua - Legal Options

1. This is in response to your memorandum of 5 January 1985 which raises the issue of whether the State Department or the NSC (or someone other than CIA) can go to third countries to urge them to provide financial or paramilitary support to the contras.

2. It seems clear to me [illegible] the CIA is precluded from spending any funds which would [illegible] the purpose or the effect of supporting military operation[illegible] [illegible]icaragua directly or indirectly. Therefore, other [illegible] the activities spelled out in my memorandum of 26 December [illegible], there is little the CIA can do with respect to third countries vis-a-vis the contra program.

3. The President is clearly charged with the conduct of foreign relations. While it [illegible] to me that certain members of Congress would take the view [illegible] any approach to third nations to assist the contra program would violate the current law, such a view in my opinion would conflict with the Presidential prerogatives if it were applied to prevent non-CIA, -DOD, or -intelligence elements from seeking third-party assistance in the contra program. It is obvious, however, that the specific agency tasked, whether it be the State Department or the NSC, would be the organization to make the appropriate legal call.

4. There are two points which should be kept in mind in pursuing this matter:

a. The prohibition in the continuing res[illegible] is written as a spending prohibition. This is in contrast to the so-called Clark Amendment, originally enacted in 19[illegible], which prohibited any kind of assistance to augment the capacity of any individuals or groups to conduct militar[illegible] paramilitary operations in Angola.

b. The 26 June 1984 memorandum prepared as a result of our meeting with the Attorney General must be kept in mind.

3781

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

Stanley Sporkin

Executive Registry
47011

CIIN 3111

Attachment

All Portions Secret

CL BY 0986573
DECL OADR
DERIVED FROM [illegible]

UNCLASSIFIED

UNCLASSIFIED ER 85-036 85-00054

[redacted]

5 January 1985

007336

MEMORANDUM FOR: General Counsel
Deputy Director for Operations
Chief, Latin America Division, DO
Chief, Central America Task Force, DO

FROM: Director of Central Intelligence

SUBJECT: Support of Contras

The legal memorandum on [redacted] g other countries to support the Contras didn't seem to get at t issue I wanted to see addressed. The question is not whether w deal with other countries on intelligence matters with res to the Sandinistas - it is whether the State Department or the NS legally go to other countries and suggest to them that they prov paramilitary financial and/or paramilitary support to the Contras t is something which the statute says the CIA, the Defense Depar t and other agencies of the government cannot provide.

William J. Casey

Attachments
OGC 84-53482
OGC 84-53485

[redacted]

CL BY 0008074
RVW OADR

CIIN 3112

UNCLASSIFIED

[illegible]

UNCLASSIF

From [redacted] Chief Latin America
Division

To Director of Central Intelligence

Text : Before you left on vacation, you asked for a definitive reading on the legal ramifications of our approaching third countries to provide assistance to the FDN. This is Stan's response to our request.

signed [redacted]

Copies to DDCI and DDO

[illegible]

610

CITN 3113

UNCLASSIFIED

UNCLASSIFIED

GC-84-53482
26 December 1984

MEMO[redacted] Chief, Central America Task Force

FRO Stanley Sporkin
General Counsel

SUB Assessment of Potential for Third Country
Assistance to the Nicaragua Opposition (S)

1. raised several questions concerning what kinds of communications with third countries would be legally permissible regarding their interest in providing financial support to the Nicaragua opposition. As will be discussed more fully below, communications with third countries for purposes of intelligence collection concerning their own intentions in relation to Nicaragua for the current time frame and to study the feasibility of and to construct plans for possible future courses of action in conjunction with the U.S., wou[redacted]t be in contravention of the FY85 funding prohibition as lo the Agency makes it clear to those countries that such comm tions are for current collection and future planning purpo nly and are not for the purpose of requesting or inducing pres llitary assistance on the part of those nations. A written r should be maintained of all such approaches made to third ries in order to demonstrate the purpose and content of the ussions. (S)

THE FY85 FUNDING PROHIBITION

0007638

2. The 1985 Continuing Resolution contains the following language:

> Sec. 8066(a). During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purp[redacted] which would have the effect of supporting, dire r indirectly; military or paramilitary operation Nicaragua by any nation, group, organization, ment, or individual.

H.J. Res. 648, 98th Cong., 2d Sess., 130 CONG. daily ed. Oct. 10, 1984).

CL BY 86899
DECL OADR
DRVD FM 5, 6, 7, -02

UNCLASSIFIED

Executive Registry
47094

CIIN 3114

Sect[illegible] states that after 28 February 1985, the President may return to Congress and, after making specific certifications, request funding for assistance to military and paramilitary operations in Nicaragua within a $14 million ceiling. Congress has provided for expedited processing of any future requests under this section. (U)

[illegible]ponding section of The Intelligence Authorizatio[illegible] Year 1985 provides:

> MILITARY OR PARAMILITARY ACTIVITIES
>
> SEC. 801. No funds authorized to be appropriated [illegible]his Act [illegible]y the Intelligence Authorization Act [illegible]iscal [illegible] 1984 (Public Law 98-215) may be obli[illegible]ded for the purpose or which would have t[illegible] supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual, except to the extent provided and under the terms and conditions specified by House Joint Resolution 648, making continuing appropriations for the fiscal year 1985, and for other purposes, as enacted.

UNCLASSIFIED

H.R. 5399, 98th Cong., 2d Sess., 130 CONG. REC. H12206 (daily ed. Oct. 11, 1984). (U)

4. As OGC has previousl[illegible]ed, given the funding prohibition, specific proposals conc[illegible]g Nicaragua should be reviewed in light of two questions:

A) Does this proposal r[illegible]e U.S. funding?

B) Will this proposal h[illegible]he purpose or effect of directly or indirect[illegible]pporting paramilitary operations in Nicara[illegible]

C007039

The proposal you have outlined, which concerns communicating with third countries to assess their current activities and future intentions in regards to Nicaragua and which would aid the Executive branch in formulating U.S. foreign policy, is not a proposal for U.S. covert assistance at all but, rather, constitutes a traditional intelligence collection activity. Indeed, the Congress itself by requesting intelligence information on where the Nicaragua opposition is getting its funding now th[illegible]. financial support has ceased, has evidenced the expecta[illegible]hat the U.S. will continue to gather such intelligence. [illegible]is proposal is not truly a candidate for the typical a[illegible] covert assistance that OGC has suggested. (S)

5. With respect to the first inquiry rega[illegible]g, sending an Agency official (or officials) to c[illegible] countries in order to collect intelligence about [illegible]lans

UNCLASSIFIED

CIIN 3114

47095

UNCLASSIFIED

[illegible] Nicaragua or to discuss the possibility of future third-country assistance after 28 February 1985, would require the obligation and expenditure of U.S. funds for salary and travel expenses. Thus, we would have to analyze the purpose and effect of such expenditures. Of course, to the extent that Agency officers may [illegible] a position to obtain such information because of their [illegible]es and without the expenditure of travel funds sole[illegible]rpose, this proposal would not even require ide[illegible]nding and the inquiry would end.[1] (S)

If it were determined that funds would be obligated or ex[illegible]d, we would then move to the second inquiry concerning the pu[illegible] or effect of those expenditures and we would have to view the[illegible]osal in[illegible]s of communications regarding both present and fut[illegible]tivi[illegible]

A) [illegible] ACTIVITIES

As to present assessments, communications with third countries in order, for example, to learn their current plans in relation to the Nicaragua opposition, to evaluate the alignment of powers in the region and such would constitute ordinary intelligence collection which is not prohibited by the statute. What must be avoided are any inducements to get t[illegible] countries to provide support for paramili[illegible] operations in Nicaragua while the U.S. is st[illegible]rily prohibited from doing the same.

00078[illegible]0

B) FUTURE ACTIVITIES

As to assessments re[illegible]g possible future assistance, such a p[illegible]l will have no effect on current military [illegible]ramilitary operations in Nicaragua. At most, [illegible] discussions amount to intelligence collection concerning the intentions of foreign countries in the event a hypothetical series of events occur. If, after 28 February 1985, a new Presidential finding is obtained recognizing the need to utilize third countries in providing assistance to the Nicaragua opposition and Congress authorizes the release of appropriations, the prohibition as now written would cease to have effect. The proposal to assess t[illegible] country intentions consists of nothing mo[illegible]

---

[1] This situation would be distinguishable from [illegible] a[illegible]nting problems the Agency faced with respect to the qu[illegible]ion [illegible]hether CIA had exceeded the $24 million spending cap [illegible]at no personnel would be dedicated to supporting a co[illegible]ce program. (S)

UNCLASSIFIED

Executive Registry
47096

C11N 3114

the collection and evaluation of foreign intel-
ligence in order to prudently consider future U.S. options in relation to Nicaragua, as well as to develop new plans. (S)

UNCLASSIFIED

7. Pragmatically, the downside in speaking to third countries a[illegible] issue is that any current plans they may have to provi[illegible] to the Nicaragua opposition may be perceived as havi[illegible]ed by the United States as a result of our co[illegible]ns. [illegible] it is essential that the Agency make it cl[illegible] third countries that no inducements are being offered in ex[illegible] for any assistance to the Nicaragua opposition and that no[illegible]nces of present or future reimbursement are being ex[illegible]. Therefore, I suggest that all conversations with third cou[illegible]epresen[illegible]ves be fully documented.2/ (S)

[illegible]sed discussions with third countries, which are intende[illegible] for obtaining necessary intelligence concerning current activities and hypothetical future plans, would not require a Presidential finding under the Hughes-Ryan Amendment to the Foreign Assistance Act of 1961. While this sort of collection activity, to our knowledge, has never been considered a "significant intelligence activity" which would require prior notice to the Oversight Committees under Section 501 of the National Security Act of 1947, you may wish to raise the reporting issue with the DDO. (S)

[redacted]anley Sporkin

---

2/ It should be recognized that discussions wit[illegible]ntries that may be currently providing support, or whic[illegible]o on their own in the forseeable future, may be subj[illegible] to [illegible]interpretation. Consequently you may wish to keep [illegible]cts [illegible] such countries to a minimum and take extra steps to [illegible]ave a clear record of any discussions that take plac[illegible]

UNCLASSIFIED

47091

CIIN 3114

**UNCLASSIFIED** 27 December 1984

MEMORAND[redacted] Deputy Director of Central Intelligence

FROM anley Sporkin
eral Counsel

SU Nicaragua -- Legal Options

s you sted, I and other members of this Office, alo [redacted] Chief, LA Division/Central American Task Forc mes H. Michel, Principal Deputy Assistant Secret ter-American Affairs, Craig Johnstone, Deputy Assistant Secretary for Central America, and Michael Matheson, Deputy Legal Adviser, Department of State, to explore the following issues involving the Nicaraguan program:

a. Converting the current covert program to an overt one;

b. Use of third n[redacted]s to provide assistance to the Nicaraguan resis program; and

0027842

c. Providing over sistance to the Nicaraguan resistance movement gh the Foreign Military Assistance Act.

2. We had a very long and haustive discussion on the designated topics as follows:

a. It was the con s that to employ the foreign military assistance tes would require that we recognize the Nicaraguan resistance as a juridical body. The State Department people made it clear that the resistance movement does not meet the criteria governing recognition of foreign governments for purposes of the foreign military assistance statutes.

b. We considered other kinds of overt assistance. We specifically explored the possibilities of providing overt assistance as contemplat the Boland/Zablocki Bill and concluded that ost would not justify the very meager benefits th be obtained from construction of a wall i to interdict arms coming from Nicaragua to [redacted] dor.

All Portions Classified Secret

98
0995
DECL OADR
DERIVED FROM [redacted]

**UNCLASSIFIED**

CIIN 3115

UNCLASSIFIED

[redacted]

e. We next explore option involving the use of
third nations. At pr there is not much that can
be done with third na without running afoul of
the appropriation cut tatute. With congressional
approval a third nati tion does provide certain
possibilities, althou do not think it is a real
option other than it des Congress with a way to
save face and buy back into the Nicaraguan program.

3. The State Department group would like very much to have the attached memorandum and with your permission I would like to send it to Mr. Michel in its present form. They have asked to receive it by close of business, 28 December 1984. While it is a very preliminary draft, I do think it could form the basis for some further discussions. I have provided the draft to Chuck Briggs and [redacted] in order to expedite th[illegible]ess of getting something over to the State Department wit[illegible] indicated deadline.

Stanley

A

Attachment

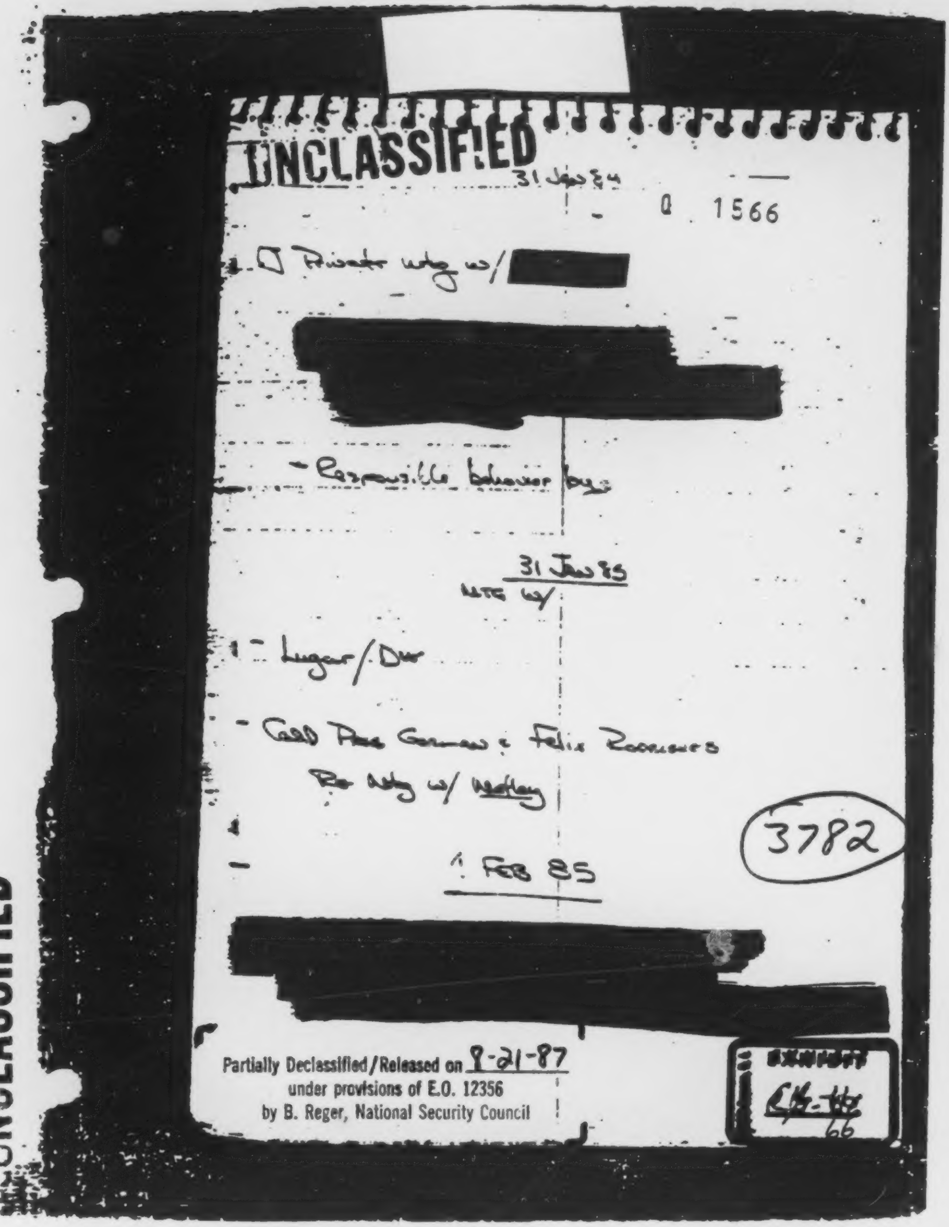
cc: AC/LA/DO
C/LA/CATF/DO
D/OLL

UNCLASSIFIED

CIIN 3115

47699

Exhibit CG-66



UNCLASSIFIED

31 Jan 84

Q 1566

☐ Private mtg w/ [redacted]

[redacted]

- Responsible behavior by:

31 Jan 85

Mtg w/

- Lugar/Dur

- Call Paul Gorman & Felix Rodriguez

Re mtg w/ Motley

3782

1 Feb 85

[redacted]

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

EXHIBIT
CG-66

UNCLASSIFIED

UNCLASSIF

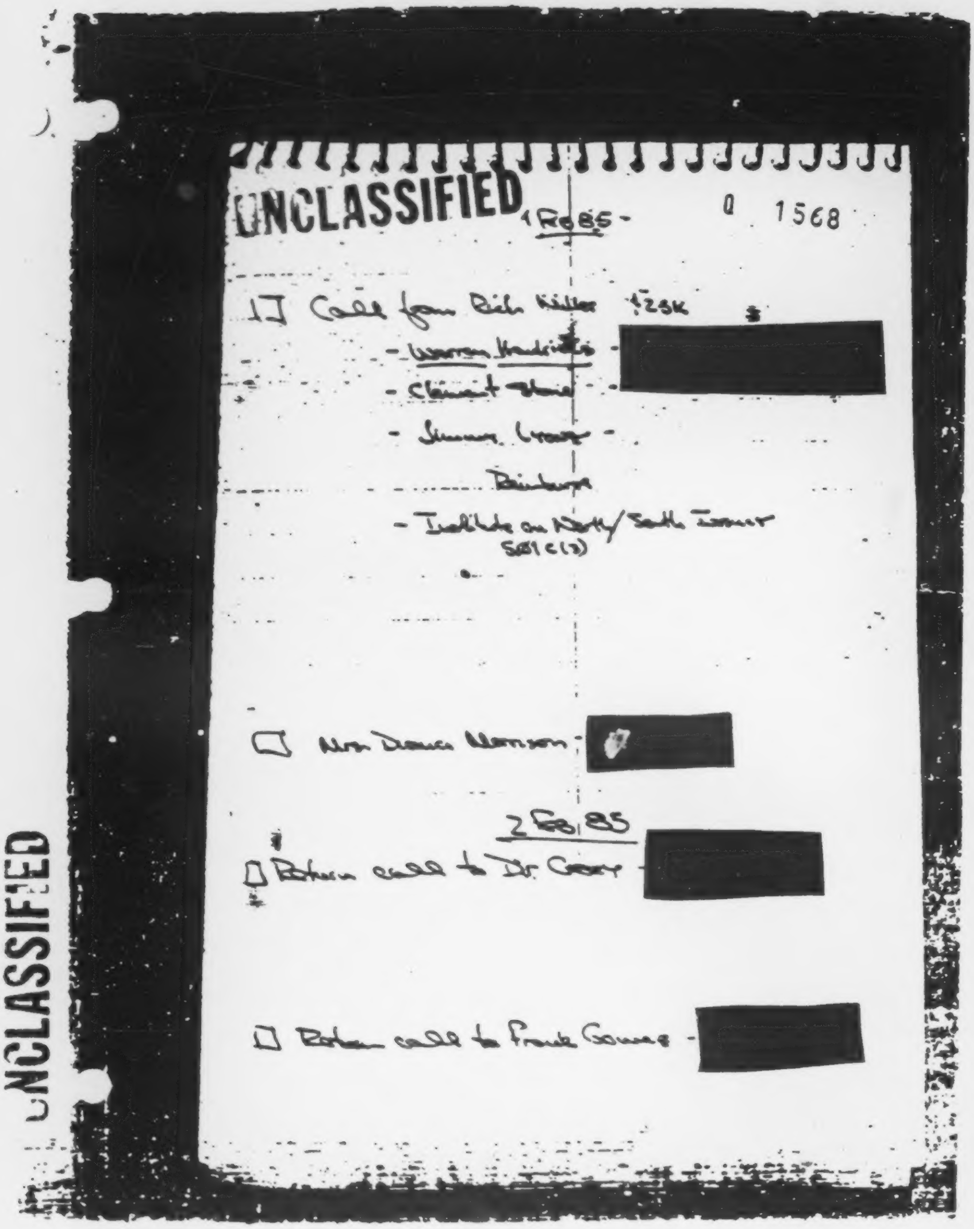
15 Sep 85

[redacted]

[redacted]

☐ Call from Gen Singlaub
- need to have contact w/ [redacted]
- Singlaub says that signal needs.
- we would be greatly pleased
- Need some contact w/ [redacted] to Ambassador

UNCLASSIFIED



UNCLASSIFIED 1 Feb 85 - Q 1568

☐ Call from Rich Miller $25K

- Warren Hendricks - [redacted]
- Clement Stone - [redacted]
- Sumner Gross -

Rainbow

- Institute on North/South Issues 501 c(3)

☐ Mrs. Diana Morrison - [redacted]

2 Feb 85

☐ Return call to Dr. Carey - [redacted]

☐ Return call to Frank Gomez - [redacted]

UNCLASSIFIED

UNCLASSIFIED

2 Feb 85

0 1569

[redacted]

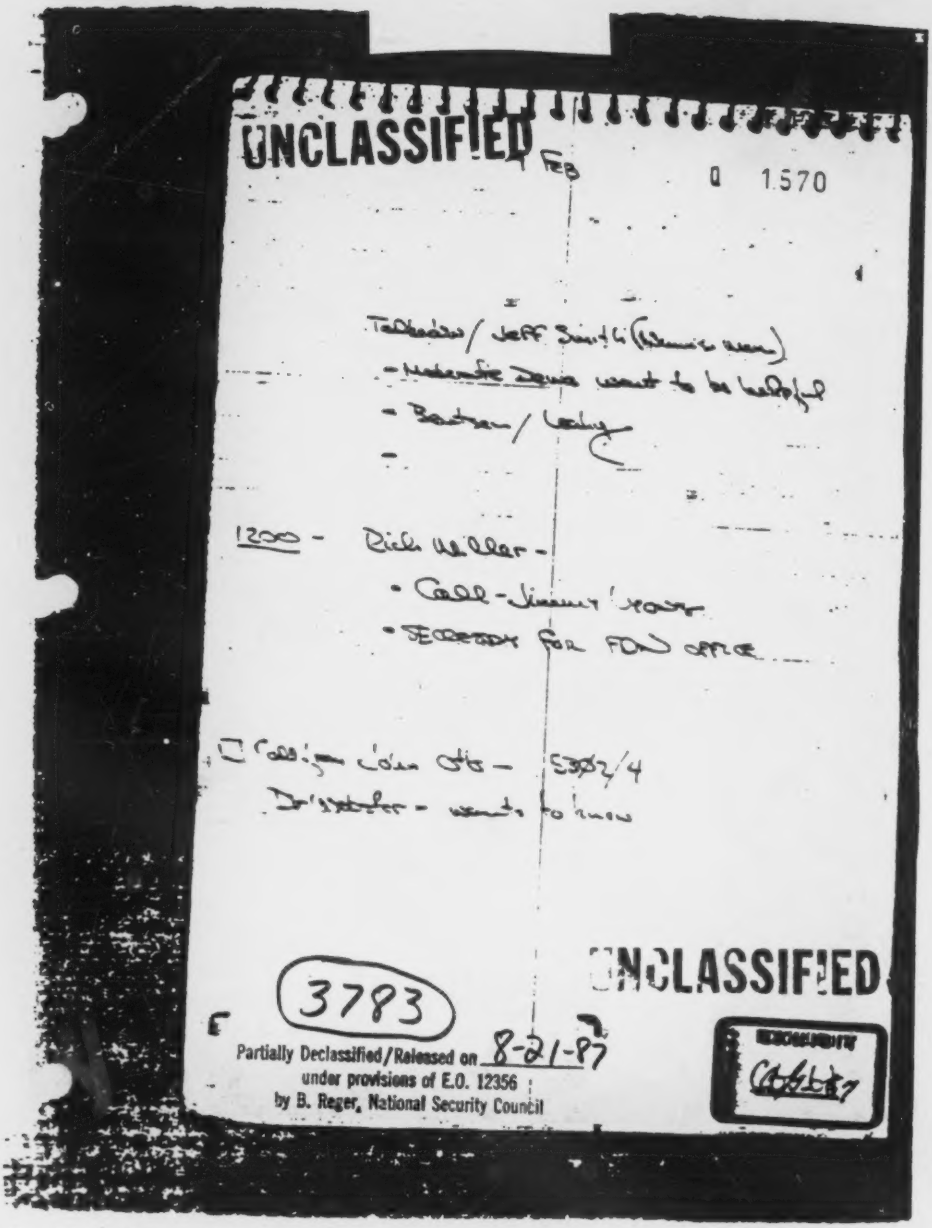
3 Feb 85

☐ Call from Clair
- [redacted] approached [redacted]
- Dick Stilwell called Clair
- want cable to [redacted]

☐ Call to Stilwell
- No cable
- Rec that Stilwell call [redacted] and [illegible] him call
  Boston.

UNCLASSIFIED

EXHIBIT CG–67



UNCLASSIFIED

FEB

0 1570

Talked w/ Jeff Smith (Nunn's man)
- Moderate Dems want to be helpful
- Bentsen / Leahy
-

1200 - Rich Miller -
• Call - Jimmy [illegible]
• SECRETARY FOR FDN OFFICE

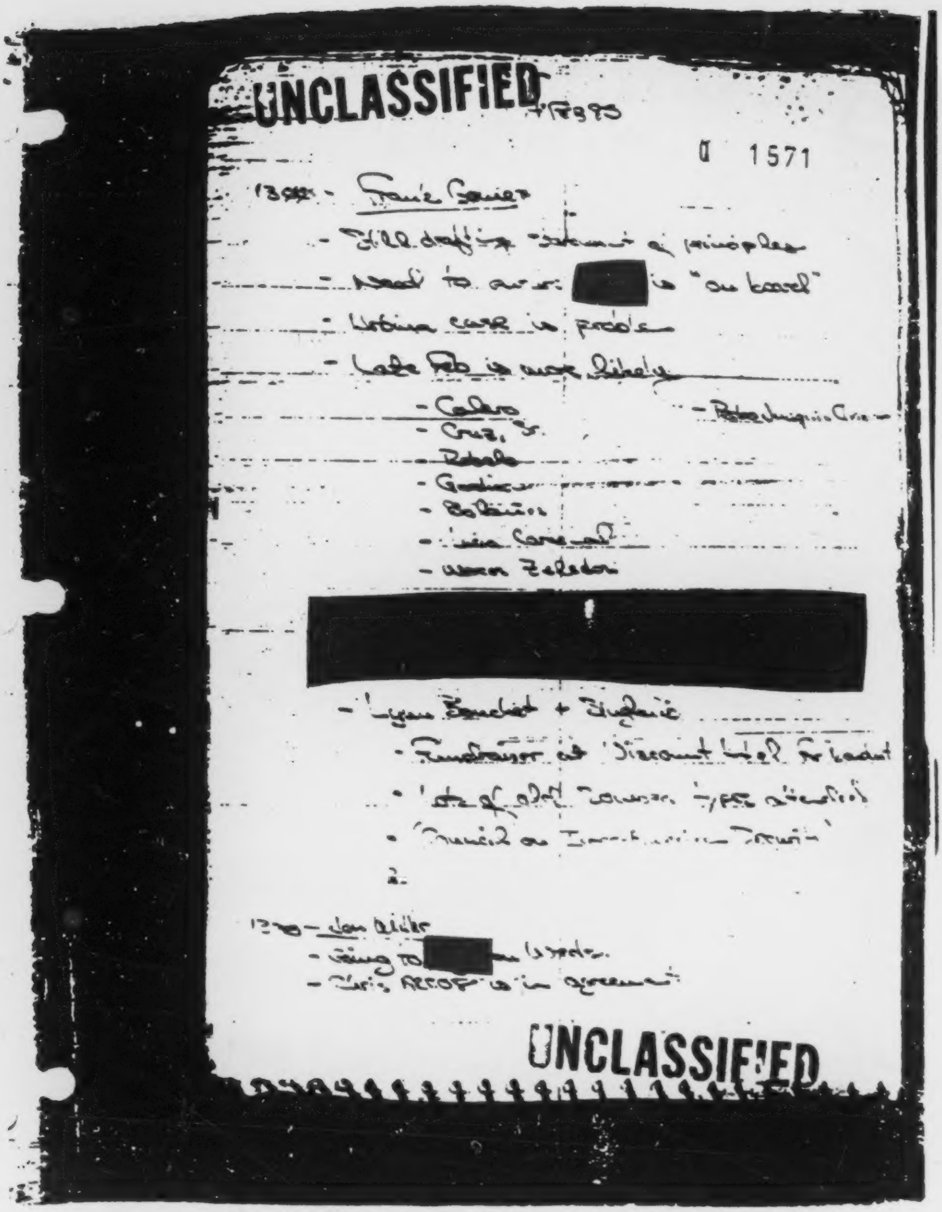
☐ Call [illegible] Ofc - 5302/4
Drischler - wants to know

UNCLASSIFIED

3783

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

[illegible]



UNCLASSIFIED 7 FEB 85

0 1571

1300 - Frank Gomez

- Still drafting statement of principles
- Need to ensure [redacted] is "on board"
- Nothing cast in [illegible]
- Late Feb is most likely
  - Calero — Pedro Joaquin Chamorro
  - Cruz, Sr.
  - Robelo
  - [illegible]
  - Bolaños
  - [illegible]
  - Marco Zeledon

[redacted]

- Lynn Bouchey + [illegible]
  - Fundraiser at 'Vista Hotel' for [illegible]
  - 'Lots of old [illegible] types attended'
  - 'Council on Inter-American Security'

1330 - Jon Miller
- Going to [redacted] in 3 weeks.
- Chris's [illegible] is in agreement

UNCLASSIFIED

UNCLASSIFIED 4 Jan 85 Q 1572

1430 - Calls to Vickers/ Clarridge

Nicaraguan Mtg w/ Thatcher

V.P. Ramirez, Sergio - For Tues.

Mtg w/ Labor MP's

Oxford Student Union

Kinnock

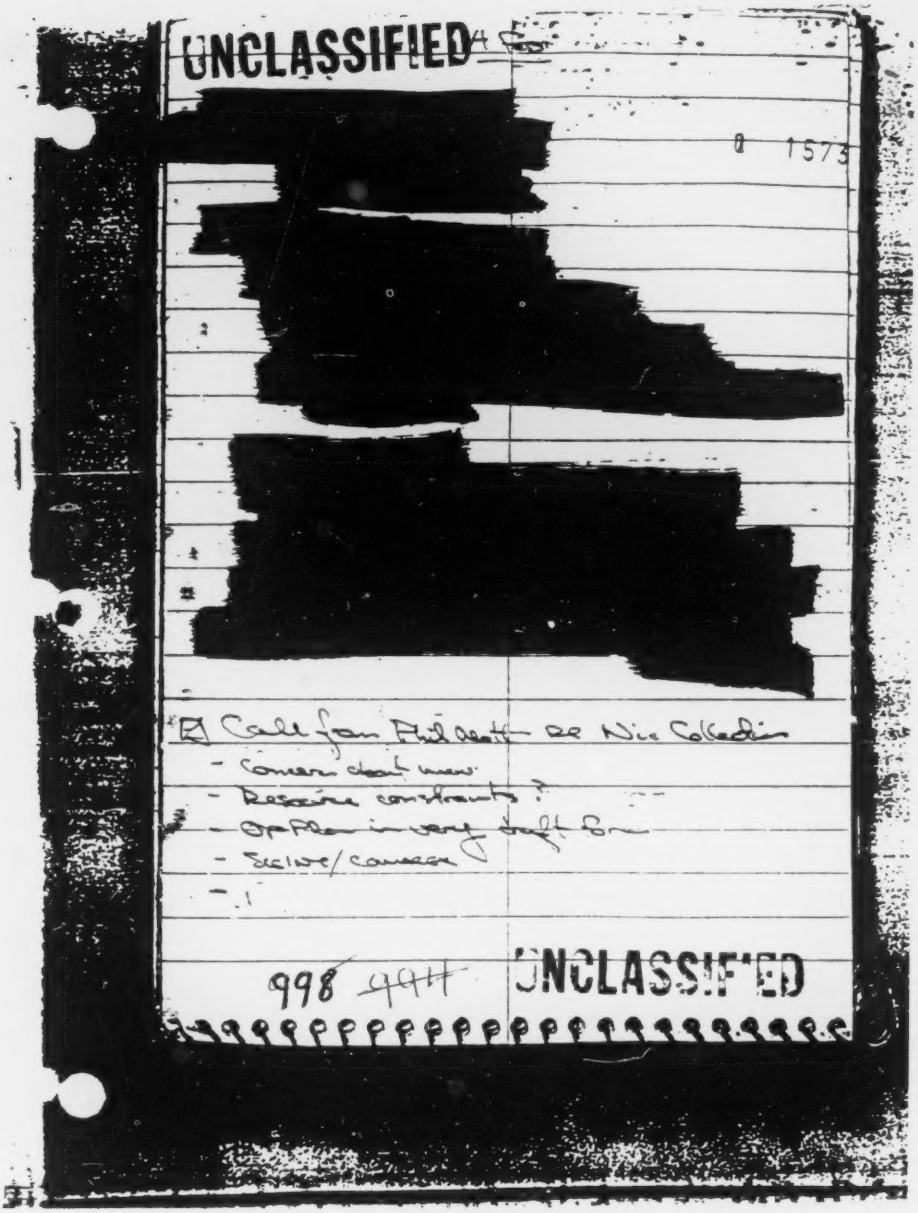
For. Secretary

Thurs. - P.M. MTG.

[redacted]

[redacted]

UNCLASSIFIED



UNCLASSIFIED

0 1575

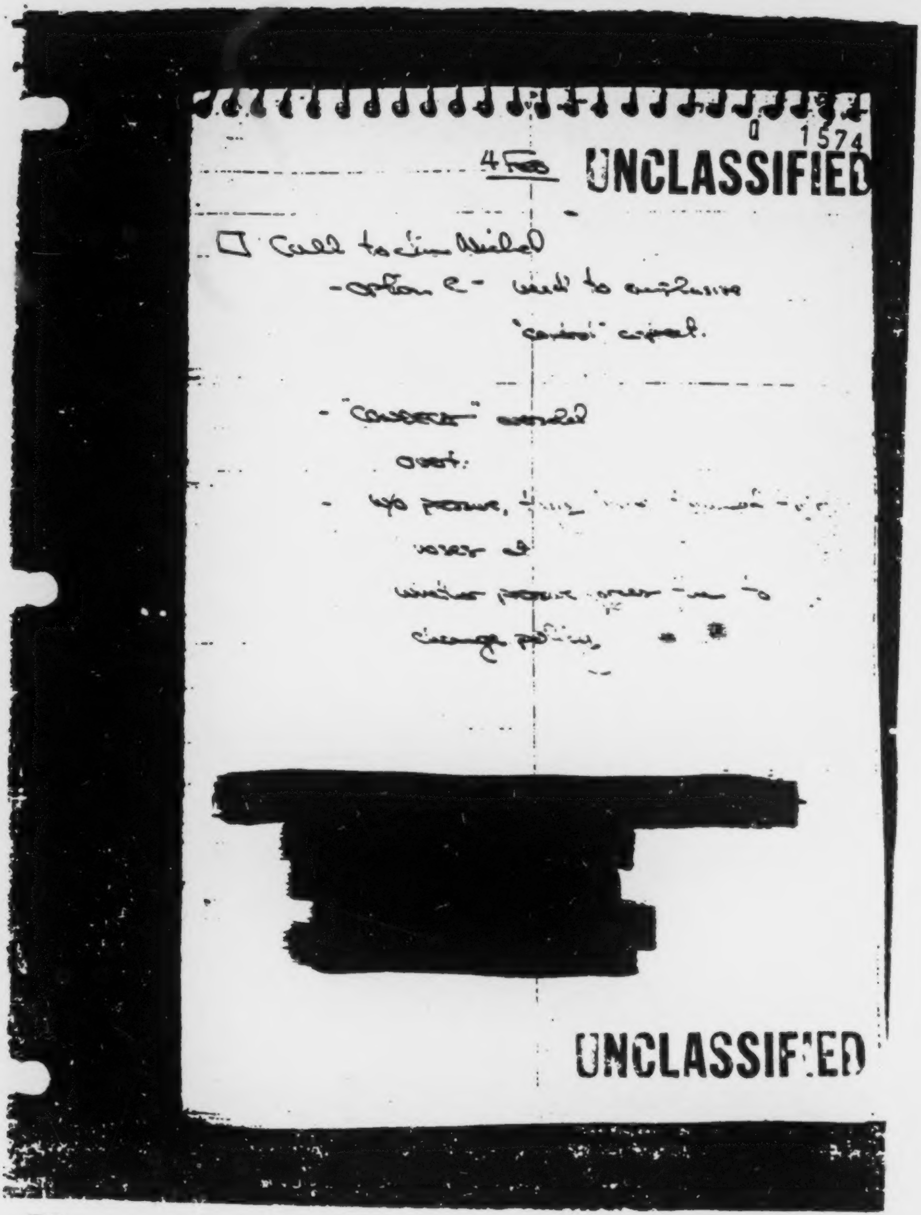
[redacted]

[redacted]

[redacted]

☒ Call from Phil Keatt re Nic Collection
- Concern about new
- Resource constraints?
- Op Plan in very draft form
- SecDef/Congress
- .1

998 ~~997~~ UNCLASSIFIED



0 1574

4 Feb UNCLASSIFIED

☐ Call to Jim Michel

-option 2 - limit to exclusive

"control" aspect.

- "CONDECA" worked

over.

- w/o power, they [illegible]

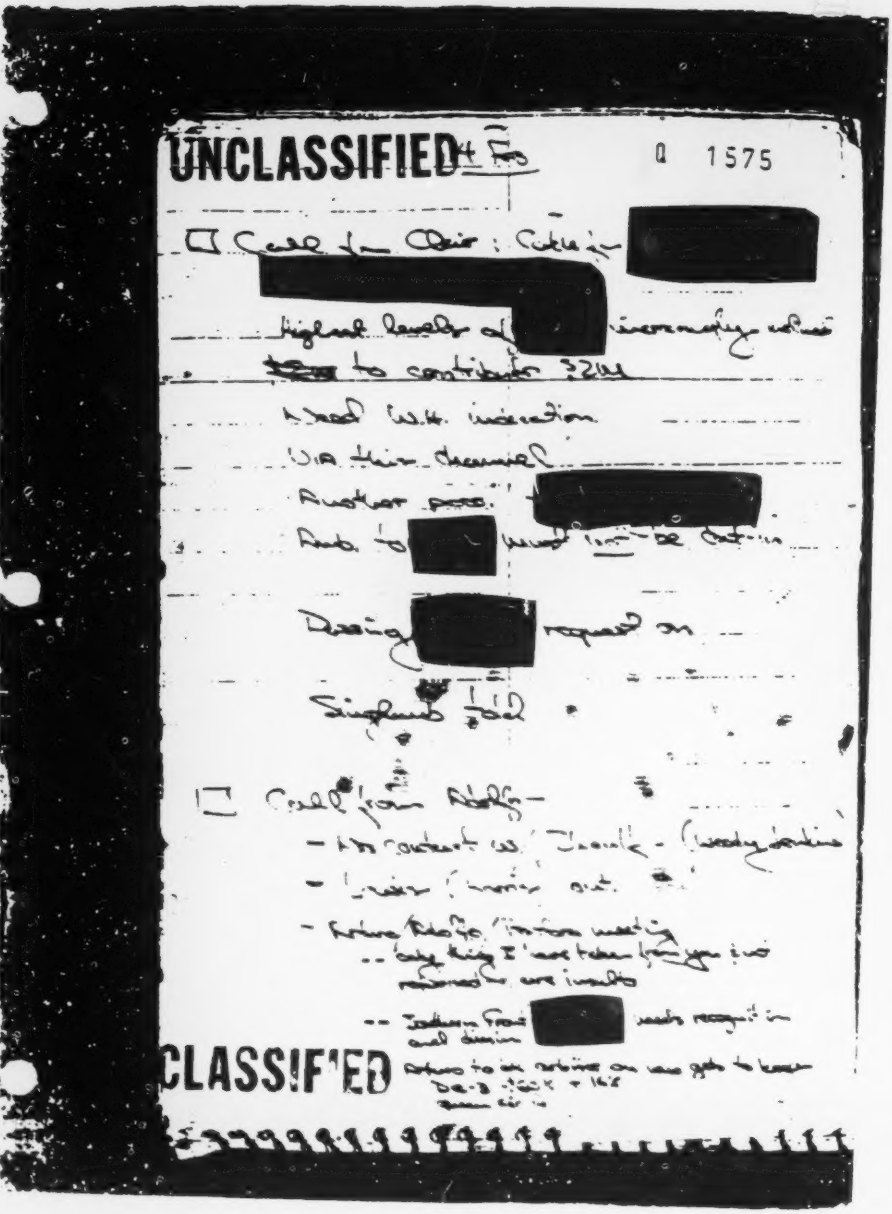
vote to

[illegible] power over [illegible] to

change policy

[redacted]

UNCLASSIFIED



UNCLASSIFIED 4 Feb Q 1575

☐ Call fm Clair: Cable in [redacted] [redacted]

highest levels of [redacted] increasingly [illegible]

~~[illegible]~~ to contribute 3.2M

Need W.H. indication

via this channel?

Another poss. [redacted]

Amb. to [redacted] would not be certain

Desire [redacted] request on

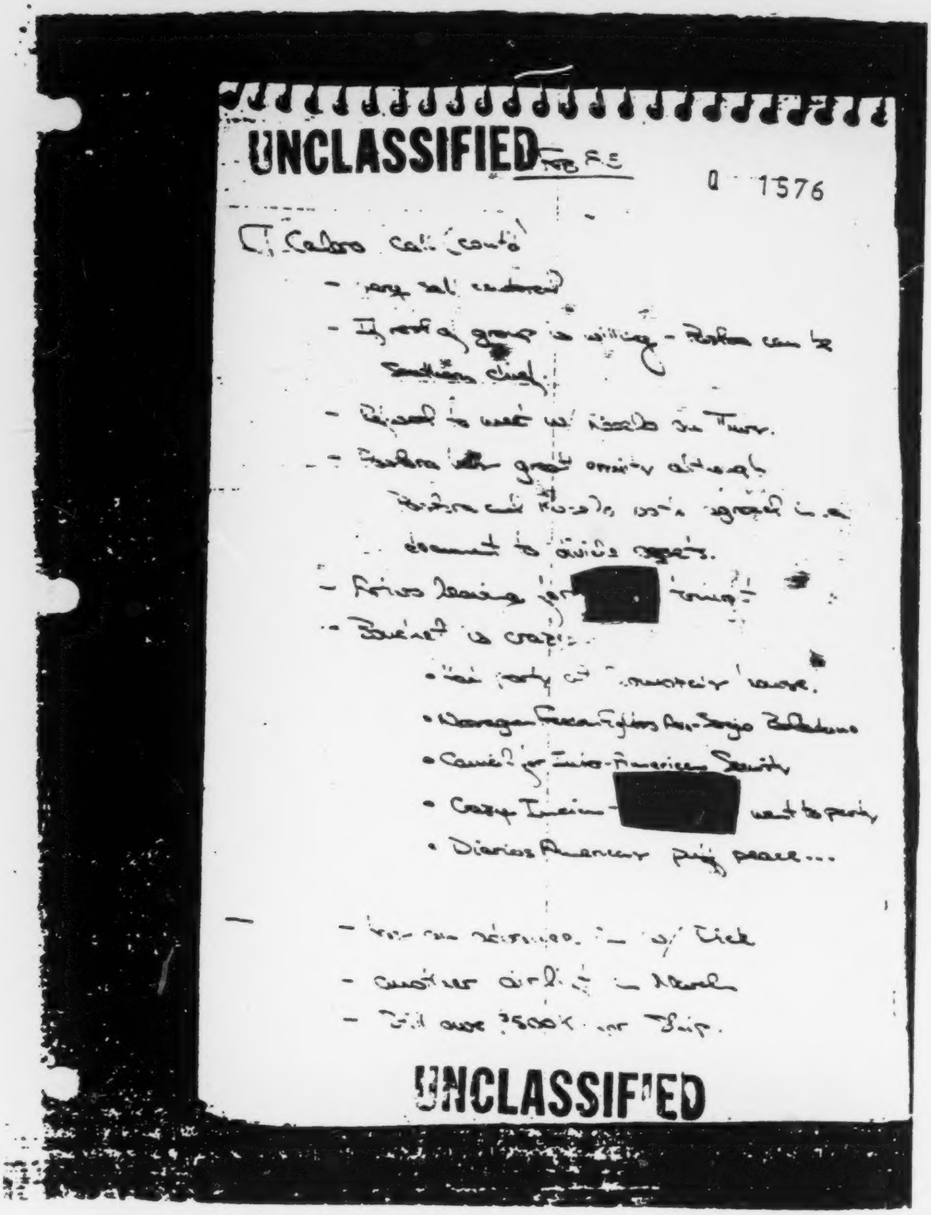
Singlaub told

☐ Call from Adolfo —

- No contact w/ Frank — (weekly [illegible])
- [illegible] [illegible] out.
- Future Adolfo/[illegible] meeting
  - -- only thing I have taken from you is [illegible] [illegible] insults
  - -- Indians from [redacted] needs [illegible] in [illegible] [illegible]

CLASSIFIED [illegible] to [illegible] [illegible] on [illegible] [illegible] to [illegible] Dec-3 [illegible] + [illegible] [illegible]

UNCLASSIFIED



UNCLASSIFIED F.S

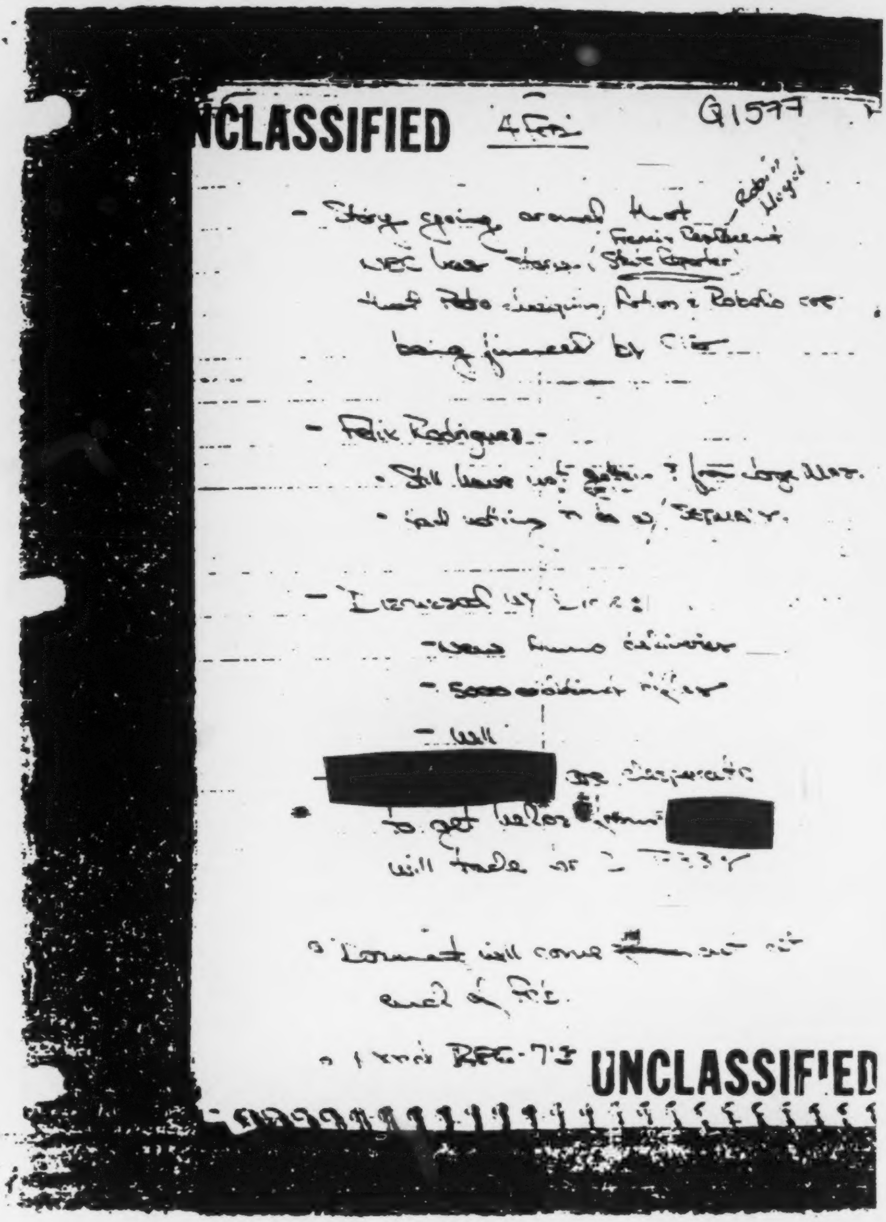
Q 1576

☐ Calero call (cont'd)

- long tel. conversation
- If rest of group is willing - Pastora can be Southern chief.
- Refused to meet w/ Robelo in Miami.
- Pastora still great enemy although Pastora and Robelo have agreed in a document to divide regions.
- Arias leaving for [redacted] tonight
- Bouchey is crazy:
  - had party at Ambassador's house.
  - Nicaraguan Freedom Fighters Ass- Sergio Zeledon
  - Council for Inter-American Security
  - Crazy Iranian - [redacted] went to party
  - Diarios Americas pig peace...

- [illegible] w/ Dick
- another airlift in March
- Still owe $500K for Ship.

UNCLASSIFIED



NCLASSIFIED 4 Feb Q1577

- Story going around that NBC has story (Francis Cardenal / State Reporter) that Pedro Chamorro, Robelo are being financed by CIA
Robelo Miguel

- Felix Rodriguez -
  - Still have not gotten ? from [illegible]
  - [illegible]

- Discussed w/ [illegible]:
  - need ammo deliveries
  - 5000 additional rifles
  - Will

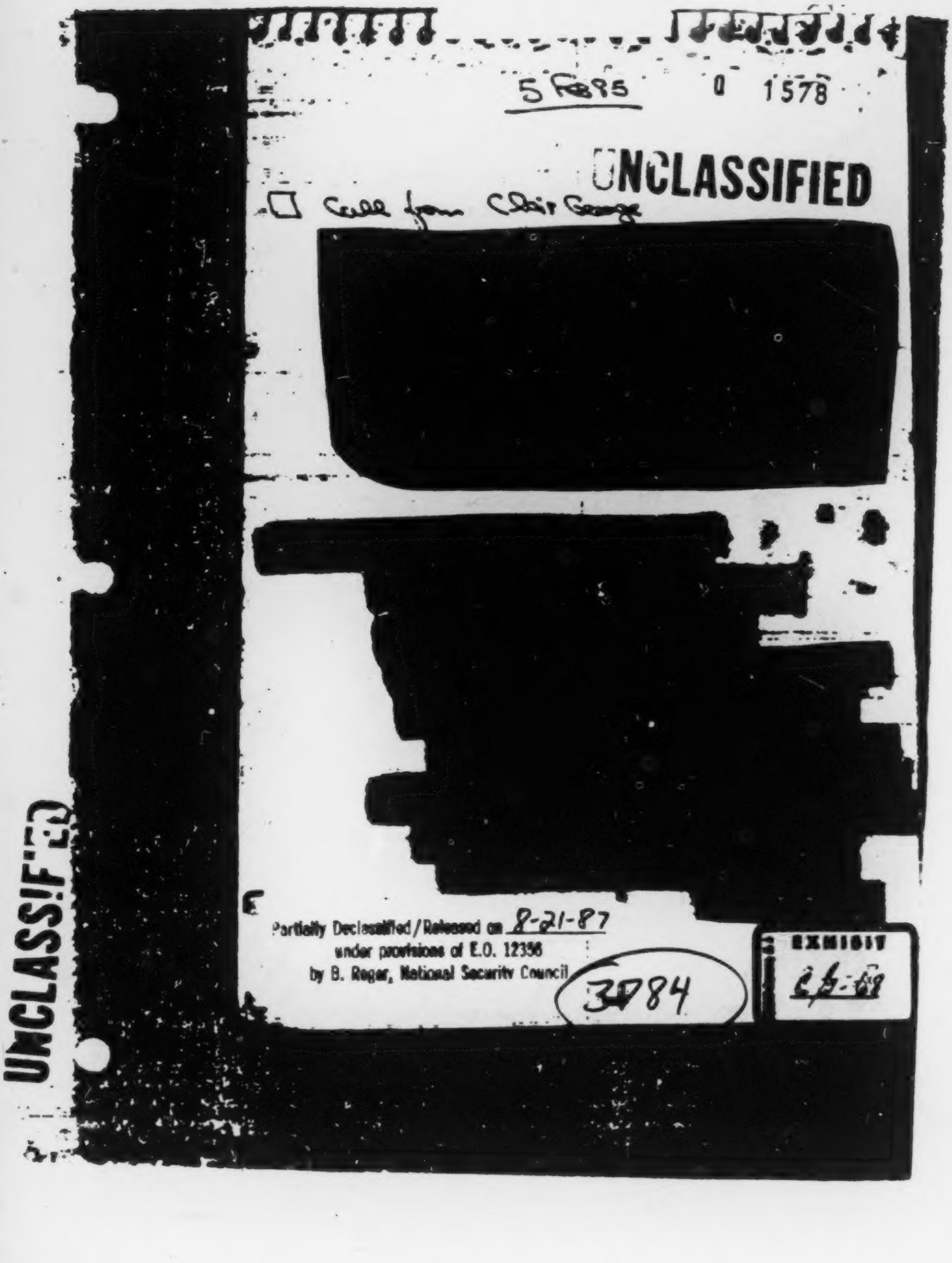
[redacted] are desperate

• to get [illegible] [redacted] will trade us [illegible]

• Lorenzo will come ~~[illegible]~~ out at end of Feb.

• 1 [illegible] RPG-7s UNCLASSIFIED

## EXHIBIT CG-68



5 Feb 85 0 1578

UNCLASSIFIED

☐ Call from Clair George

[redacted]

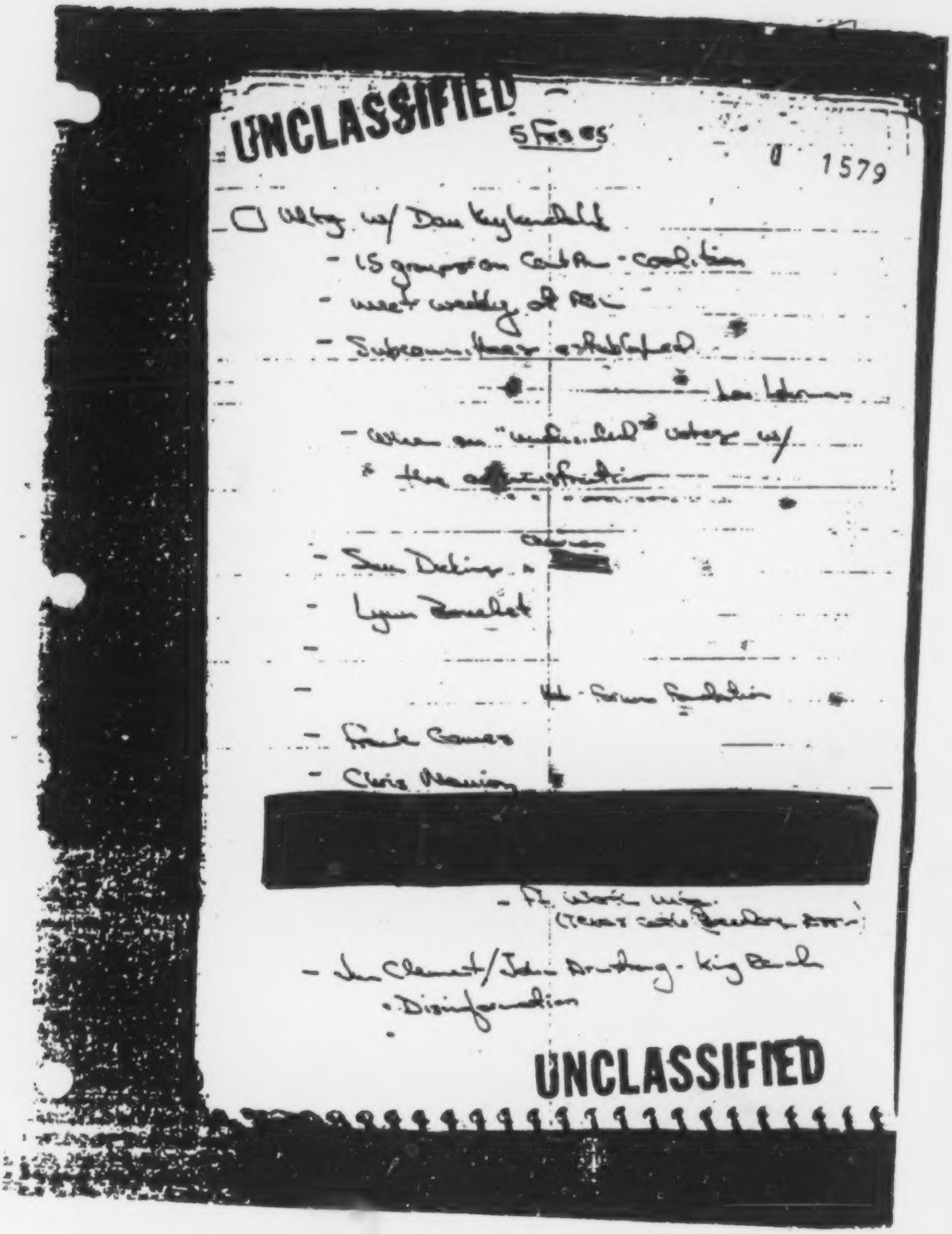
[redacted]

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

3084

EXHIBIT
CG-68

UNCLASSIFIED



UNCLASSIFIED

5 Feb 85

1579

☐ Mtg. w/ Dan Kuykendall
- 15 groups on Cent Am - coalition
- meet weekly at [illegible]
- Subcomm. have established
  - [illegible] - Lou Lehrman
- Were an "unofficial" entity w/ the administration
- Sam Dickens - [redacted]
- Lynn Bouchey
-
- [illegible] Foundation
- Frank Gomez
- Chris Manion

[redacted]

- Ft. Worth mtg. (Texas Cattle Breeders Assn)
- Jim Clement/John Armstrong - King Ranch
  - Disinformation

UNCLASSIFIED

UNCLASSIFIED

0 1580

5 Feb 85

[redacted]

☐ Mtg w Secord -

- Met w [redacted]
- [redacted] thinks [illegible] is weak [illegible]
- Going to join [redacted]

☆ - Needs to get a sample of [illegible] from [redacted] [illegible] for the [illegible]

- Found list of requirements.

[redacted] [illegible] - 3,300 [illegible]

- [illegible] Rifles ([illegible] from [redacted]
- [illegible] [illegible]

- [illegible] - [illegible] [illegible]

UNCLASSIFIED

## EXHIBIT CG-69

FIED

MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-402003
Re-do

February 6, 1985

N 6917

~~TOP SECRET~~

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Nicaraguan Arms Shipments

The Nicaraguan merchant ship, MONIMBO, is now in port at Taichung, Taiwan, where it is unloading cargo. It is estimated for departure on tomorrow, February 7, enroute to Shikama, Japan, for main engine repairs. [redacted]

At this point, there appear to be three options:

- -- The shipment could be seized and the weapons delivered to the FDN;
- -- the ship could be sunk; or
- -- the shipment and the [redacted] parties involved therein could be made public as a means of preventing the delivery.

3785

UNCLASSIFIED

CG-69

~~TOP SECRET~~
Declassify: OADR

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

BKD. FBI
12-12-

UNCLASSIFIED 73 9.8

~~TOP SECRET~~ 2 N 6918

[redacted] There is no apparent armed security detail aboard the MONIMBO, despite the sensitive nature of her cargo.

If asked, Calero would be willing to finance the operation. He does not, however, have sufficient numbers of trained maritime special operations personnel or a method of delivery for seizing the ship on the high seas. [redacted]

If such an operation were undertaken, it would be best to seize the vessel as it cleared the East China Sea enroute to Nicaragua's Pacific port at Corinto. Arrangements would have to be made for removal of the cargo for further transfer to the FDN, since it is unlikely that any of the other Central American states would allow MONIMBO to enter their harbors once she had been pirated.

If time does not permit a special operation to be launched, Calero can quickly be provided with the maritime assets required to sink the vessel before it can reach port at Corinto. He is in contact with maritime operations experts and purveyors of materiel necessary to conduct such an operation.

RECOMMENDATION

That you authorize Calero to be provided with the information on MONIMBO and approached on the matter of seizing or sinking the ship.

Approve ____ Disapprove ____

We need to take action to make sure ship does not arrive in Nicaragua.

JP

~~TOP SECRET~~ UNCLASSIFIED

MEMORANDUM

UNCLASSIFIED

SECRET

NATIONAL SECURITY COUNCIL

955

SYSTEM IV
NSC/ICS-402000
Re-do

February 6, 1985

~~SECRET~~ **SENSITIVE**

**ACTION**

N 7013

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Cable to President Suazo of Honduras

Attached at Tab I is a memo from you to Secretaries Shultz and Weinberger, Director Casey, and General Vessey requesting their concurrence in a proposed backchannel cable to President Suazo from President Reagan (Tab A). The cable is intended to emphasize for President Suazo our support in the event of a Sandinista attack [redacted]

Since we originally reported on January 25, the HUMINT and SIGINT indications of an attack, [redacted] Since January 29, the Sandinistas have been sporadically firing into Honduras with their artillery and rockets. GEN Paul Gorman delivered to the Pentagon on Monday, February 4, two 122mm rocket assemblies taken from their point of impact in Honduras. The intelligence at Tab II pertains. [redacted]

[redacted]

~~SECRET~~ **SENSITIVE**
Declassify: OADR

UNCLASSIFIED

1008

UNCLASSIFIED

N 7014

UNCLASSIFIED

75 9.8 ~~255~~

UNCLASSIFIED

N 7015

At this point, two steps need to be urgently taken:

-- The FDN is in urgent need of near-term financing--approximat $2M--for the purchase of rifles, ammunition, and boots for the new volunteers.

-- The Hondurans need to be stiffened with assurances from the United States that we will meet our responsibilities under existing treaties. [redacted]

Regarding the first matter, as a consequence of GEN Singlaub's recent trip, both [redacted] and the [redacted] have indicated to [redacted] that they want to help in a "big way." [redacted] (CIA) has withheld the dissemination of these offers and contacted me privately to assure that they will not become common knowledge. Singlaub will be here to see me tomorrow. With your permission, I will ask him to approach [redacted] at the [redacted] Embassy urging that they proceed with their offer. Singlaub would then put Calero in direct contact with each of these officers. No White House/NSC solicitation would be made. [illegible] U.S. Gov [illegible]

**RECOMMENDATIONS**

1. That you sign and transmit the memo at Tab I.

Approve _____ Disapprove _____

2. That you authorize me to proceed as indicated with GEN Singlaub.

Approve _____ Disapprove _____

Attachments
- Tab I - McFarlane Memo to Shultz/Weinberger/Casey/Vessey
  - Tab A - Proposed Backchannel Cable to Suazo
- Tab II - Intelligence
- Tab III - Photograph
- Tab IV - Background Cables

**Exhibit CG–70**

UNCLASSIFIED

C 2154

February 1985)

#7

[redacted]

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by [illegible], National Security Council

EXHIBIT

3786

CIID 1279

UNCLASSIFIED

73 9.8 ~~250~~

UNCLASSIFIED

86- 855

C 2155

25 February 1985

MEMORANDUM FOR: THE RECORD

SUBJECT: Meeting with RADM John Poindexter, 21 February 1985

2. [redacted]

3. Poindexter indicated that the Tuesday "family luncheon" would focus only on Nicaragua and what to do to get funding for the Contras. I noted that we are rapidly running out of time, particularly in light of the massive buildup of materiel and manpower which the Sandinistas are bringing to bear on the Contras.

4. [redacted]

Executive Registry 2540

UNCLASSIFIED

1279

75 9.8 [illegible]

UNCLASSIFIED

DD/O 85-0006/6

19 February 1985 2156

SUBJECT: Weekly Central American [redacted] Situation Report

1. Nicaragua Operations Group:

[redacted]

ALL PORTIONS OF THIS DOCUMENT
ARE CLASSIFIED [illegible]

DE[illegible]DR DRV [illegible]
4-[illegible]L BY 487[illegible]

UNCLASSIFIED

Executive Registry 25416

1279

## EXHIBIT CG-71

CONTRACTORS ... INFORMATION CONTROLLED BY ORIGINATOR -PGI

CI — Central Intelligence Agency

TU — ~~259~~

C 0945

Washington D.C. 20505

WARNING NOTICE
INTELLIGENCE SOURCES OR METHODS INVOLVED

MEMORANDUM FOR: Assistant to the President for National Security Affairs

SUBJECT: Alleged Purchase of Arms [redacted] for Shipment to [redacted] on Behalf of the C.I.A.

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE

1. [redacted]

2. In early January 1985 a representative of "Transamerican Limited," a Canadian arms trading company in Montreal [redacted] purchasing arms for shipment to [redacted] Among the items purchased were 45 SA-7 missiles (at US$ 32,000 each), 1,000 RPG-7's, 1.5 million rounds of 7.62x35 ammunition and 100 75MM recoilless rifles. [redacted] buying the material on behalf of an American named Richard Secor, a retired U.S. Army General [redacted] Secor heavily implied that he was making the purchases for the Central Intelligence Agency.

3. [redacted] small arms exporting organization, that [redacted] a policy prohibiting arms exports to any Central American country. The "Transamerica" representative obtained [redacted] end-user certificates, which the [redacted] accepted. [redacted] most of the arms were airshipped t[redacted] in late January 1985. Funds for this purchase came from either the Bahamas or Cayman Islands.

DECL: OADR DRV HUM 4-82 BY [redacted] ALL PORTIONS CARRY CLASSIFICATION AND CONTROLS OF OVER ALL DOCUMENT.

ECHH B

UNCLASSIFIED

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by J. Reger, National Security Council

3787

C1110 799

REVIEWED FOR RELEASE
Date 24 March 87
HSC + SSC

75 9[illegible]8 **UNCLASSIFIED** — 0946

WARNING NOTICE
INTELLIGENCE SOURCES OR METHODS INVOLVED

[redacted]

5. (Headquarters Comment: The Central Intelligence Agency is not in contact with Richard Secor, who is a retired Air Force Major General.)

/s/ [redacted]

Clair E. George
Deputy Director for Operations

[illegible]

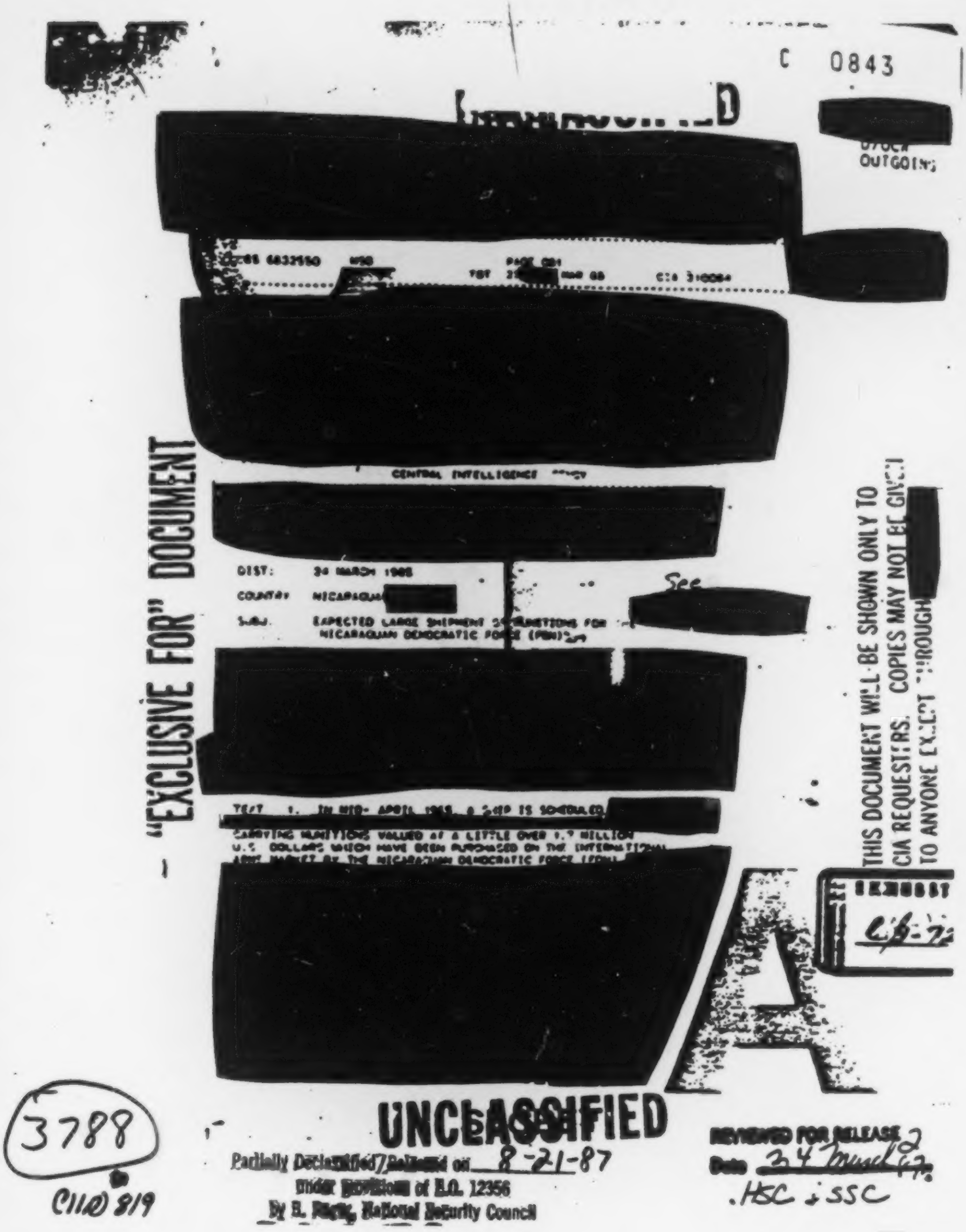
FIRDB-312/00912-85

A

**UNCLASSIFIED**

REVIEWED FOR RELEASE
Date 24 March 87
H<C & SSC

Exhibit CG-72



C 0843

[illegible]D

[redacted]

OUTGOING

[redacted]

[illegible] 6832550 [illegible] PAGE 001
TOT 2[redacted] MAR 85 CIA 310084

[redacted]

CENTRAL INTELLIGENCE AGENCY

[redacted]

DIST: 24 MARCH 1985

COUNTRY: NICARAGUA [redacted]

SUBJ: EXPECTED LARGE SHIPMENT OF MUNITIONS FOR THE NICARAGUAN DEMOCRATIC FORCE (FDN)

See [redacted]

[redacted]

TEXT 1. IN MID-APRIL 1985, A SHIP IS SCHEDULED [redacted] CARRYING MUNITIONS VALUED AT A LITTLE OVER 1.[illegible] MILLION U.S. DOLLARS WHICH HAVE BEEN PURCHASED ON THE INTERNATIONAL ARMS MARKET BY THE NICARAGUAN DEMOCRATIC FORCE (FDN) [redacted]

"EXCLUSIVE FOR" DOCUMENT

THIS DOCUMENT WILL BE SHOWN ONLY TO CIA REQUESTERS. COPIES MAY NOT BE GIVEN TO ANYONE EXCEPT THROUGH [redacted]

EXHIBIT CG-72

UNCLASSIFIED

3788

C11(I) 819

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by [illegible], National Security Council

REVIEWED FOR RELEASE
Date 24 March 87
HSC & SSC

UNCLASSIFIED 75 938 ~~260~~ [illegible]

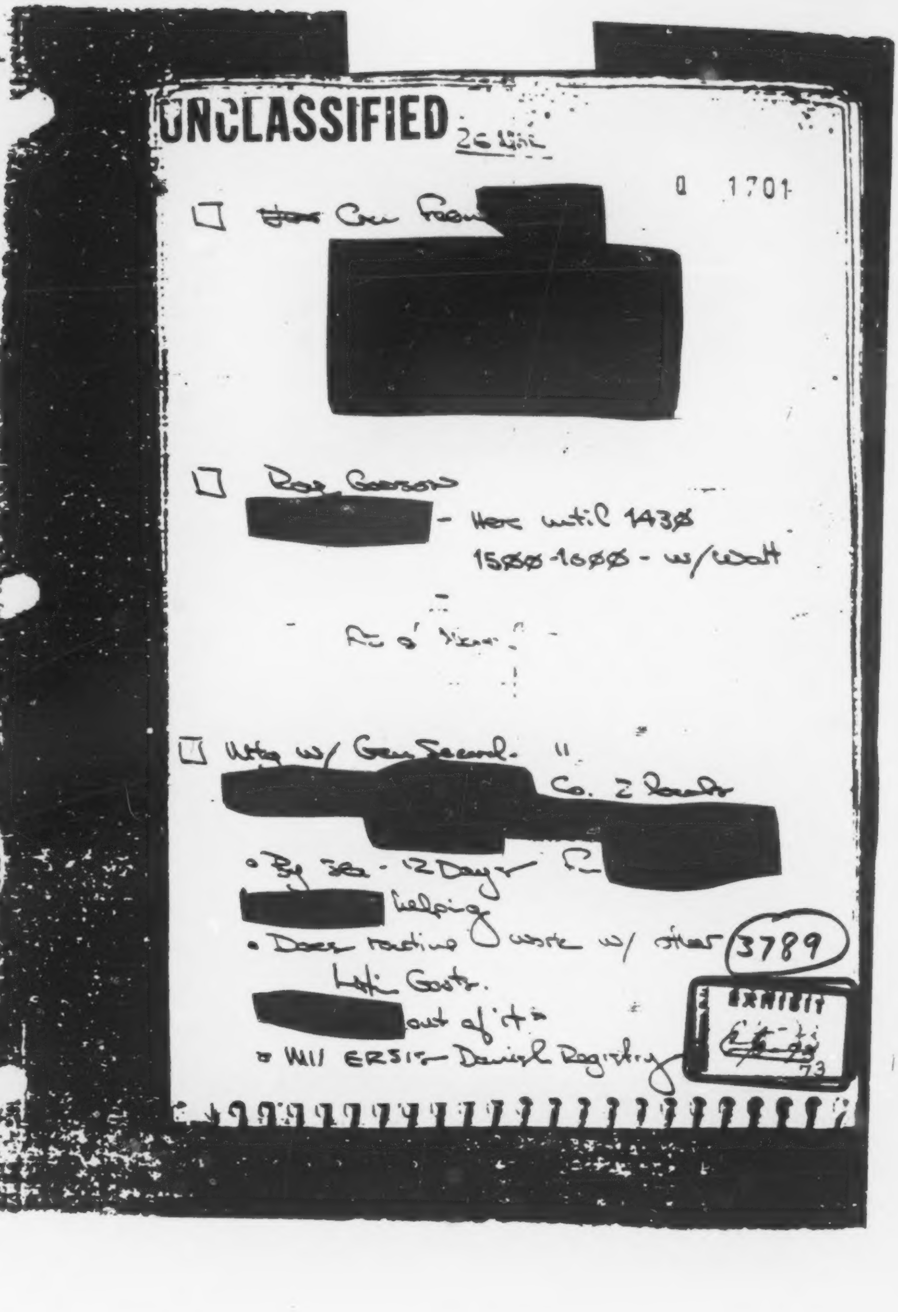
Exhibit CG 72

page C0844

deleted in its entirety

UNCLASSIFIED

## Exhibit CG–73



UNCLASSIFIED 26 Jun

0 1701

☐ ~~[illegible]~~ Gen Frem [redacted]

☐ Roz Gerson

[redacted] - Here until 1430

1500-1000 - w/Walt

[illegible]

☐ Mtg w/ Gen Secord - 11

[redacted] Co. 2 boats

• By sea - 12 Days - fr

[redacted] helping

• Does routine work w/ other Latin Govts.

[redacted] out of it

• Will ERSI - Daniel Registry

3789

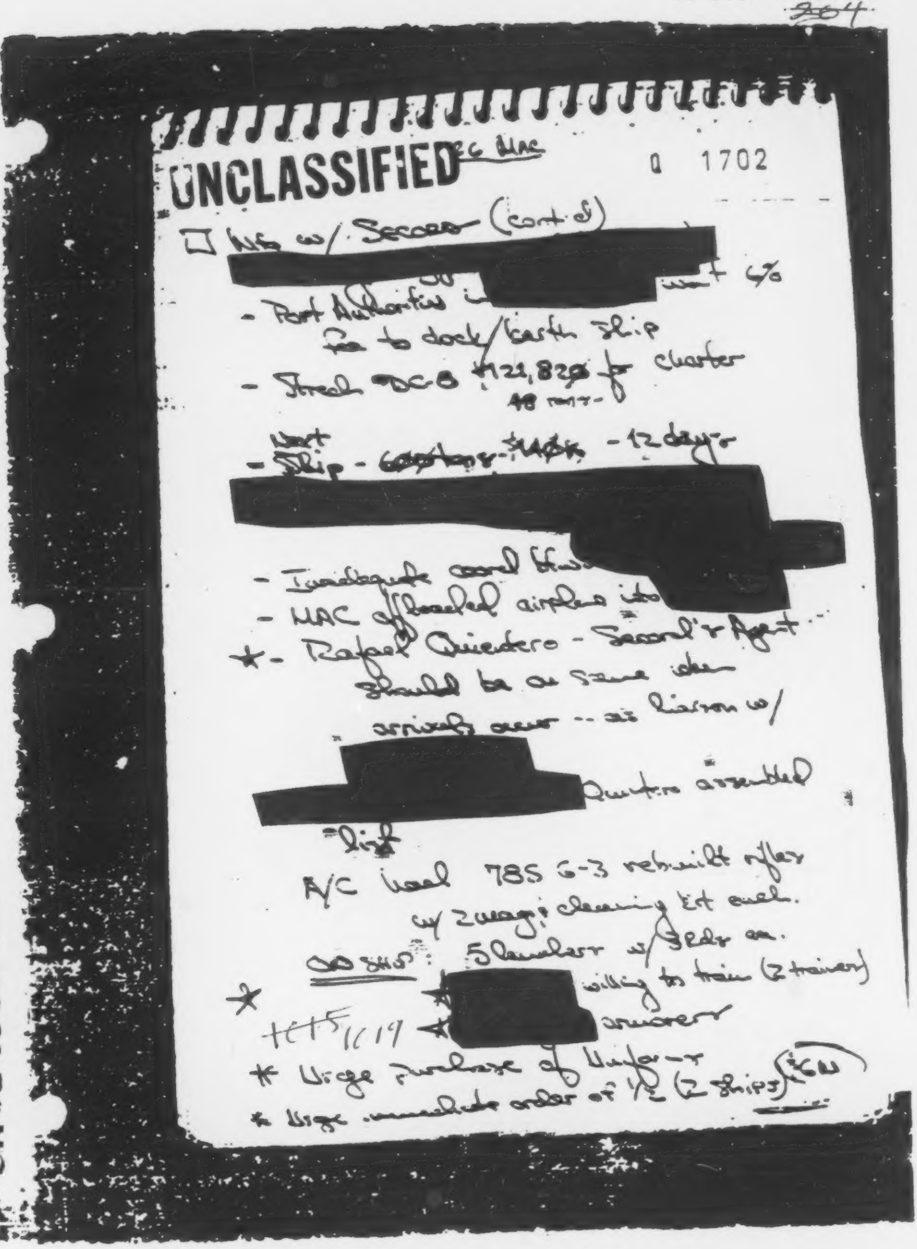
EXHIBIT

73

UNCLASSIFIED

Partially Declassified/Released on 21-87
under provisions of E.O. 12356
by [illegible], National Security Council

70 9.8 ~~189~~ ~~204~~



UNCLASSIFIED EC MAC

Q 1702

☐ Mtg w/ Secord (cont'd)

[redacted] want 6%

- Port Authorities in [redacted]
  fee to dock/berth ship
- Stretch DC-8 $121,820 for charter
  48 mt -

next

- Ship - ~~600 tons~~ - $140K - 12 days

[redacted]

- Inadequate coord btw [redacted]
- MAC offloaded airplane into [redacted]

★- Rafael Quintero - Secord's Agent
should be on scene when
aircraft arrive -- as liaison w/

[redacted] Quintero assembled list

A/C load 785 G-3 rebuilt rifles
w/ 2 mags & cleaning kit each.

00 840: 5 launchers w/ 3 Rds ea.

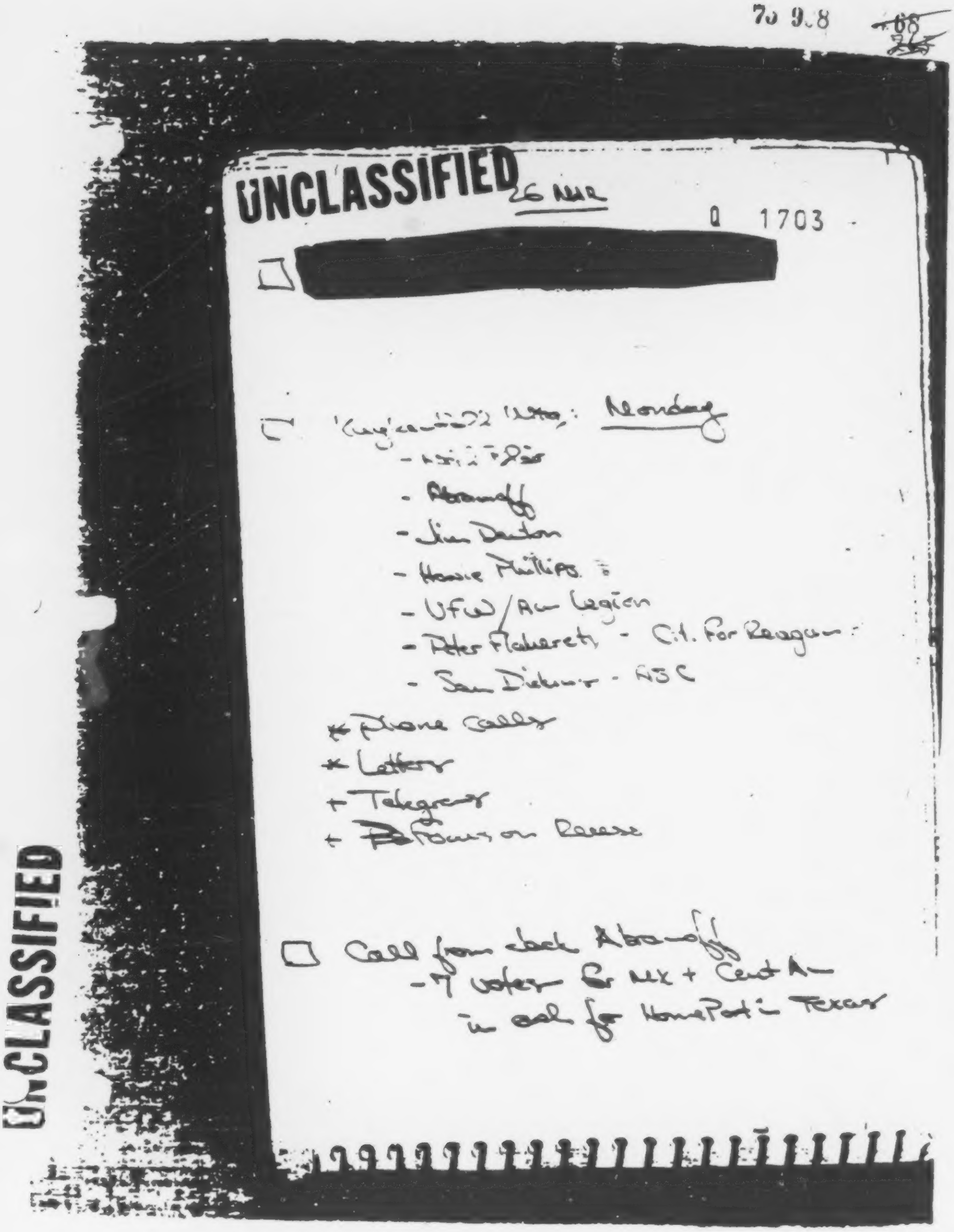
★ ★ [redacted] willing to train (2 trainers)

~~1015~~ 1019 ★ [redacted] answers

* Urge purchase of Uniforms

* Urge immediate order of 1/2 (2 ships) ESN

UNCLASSIFIED



UNCLASSIFIED 26 MAR

Q 1703

☐ [redacted]

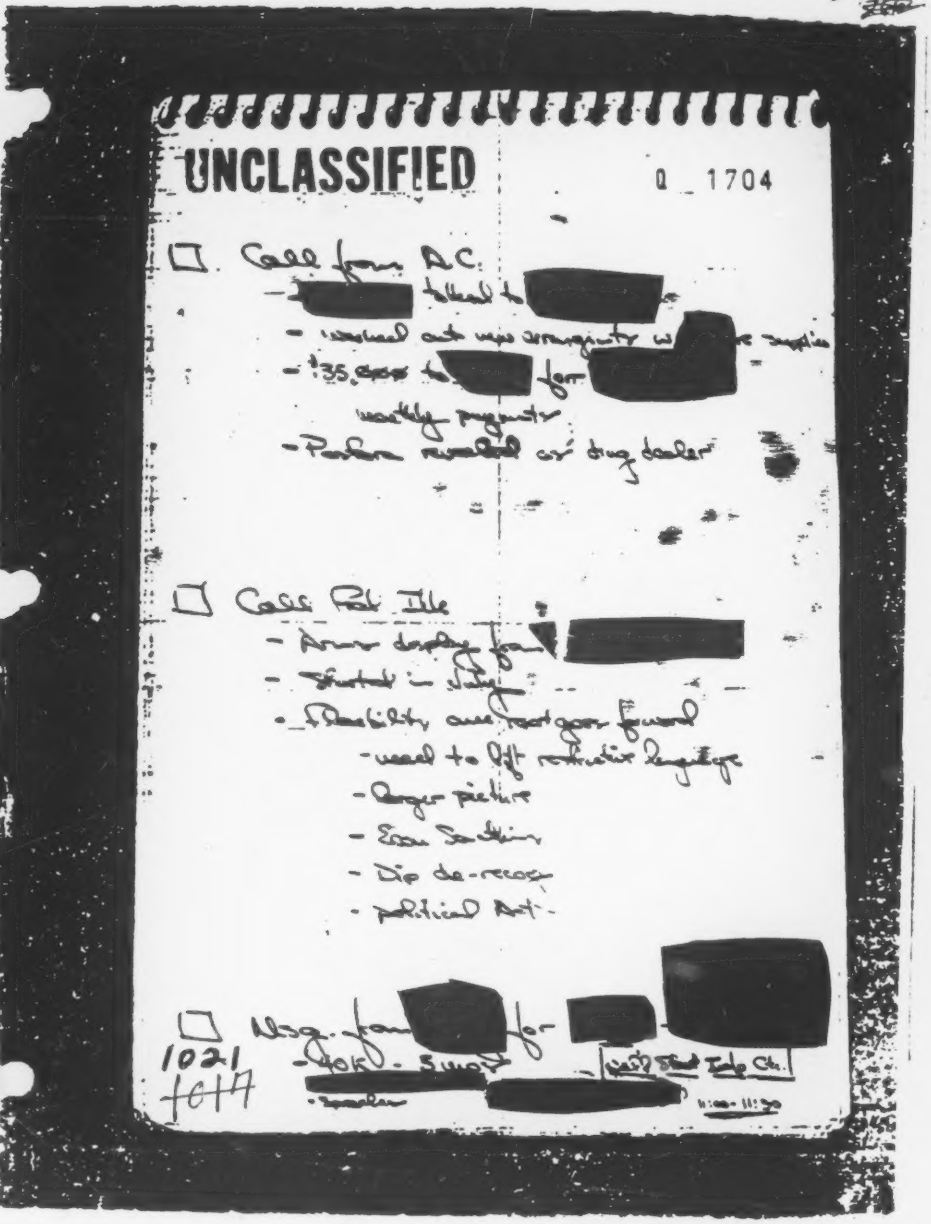
☐ Congressional Mtg.: Monday
- [illegible]
- Abramoff
- Jim Denton
- Howie Phillips
- VFW/Am Legion
- Peter Flaherty - Cit. for Reagan
- Sam Dickens - ASC

* Phone Calls
* Letters
+ Telegrams
+ ~~Re~~ Focus on Release

☐ Call from Jack Abramoff
- 7 votes for MX + Cent Am
  - in exch for HomePort in Texas

UNCLASSIFIED

75 9[illegible]8 ~~269~~ ~~266~~



UNCLASSIFIED Q _ 1704

☐ Call from D.C.
- [redacted] talked to [redacted]
  - worked out new arrangements w/ [redacted] supplier
  - $35,000 to [redacted] for [redacted] weekly payments
  - Perhaps revealed as drug dealer

☐ Call Pat Ille
- Arms display from [redacted]
- Started in Sep
- Flexibility and foot goes forward
  - need to lift restrictive language
  - Larger picture
  - Econ Sanctions
  - Dip de-recog
  - political Act -

☐ Msg. from [redacted] for [redacted] [redacted]
- 40K - Sunday [redacted]
- [illegible] [redacted]

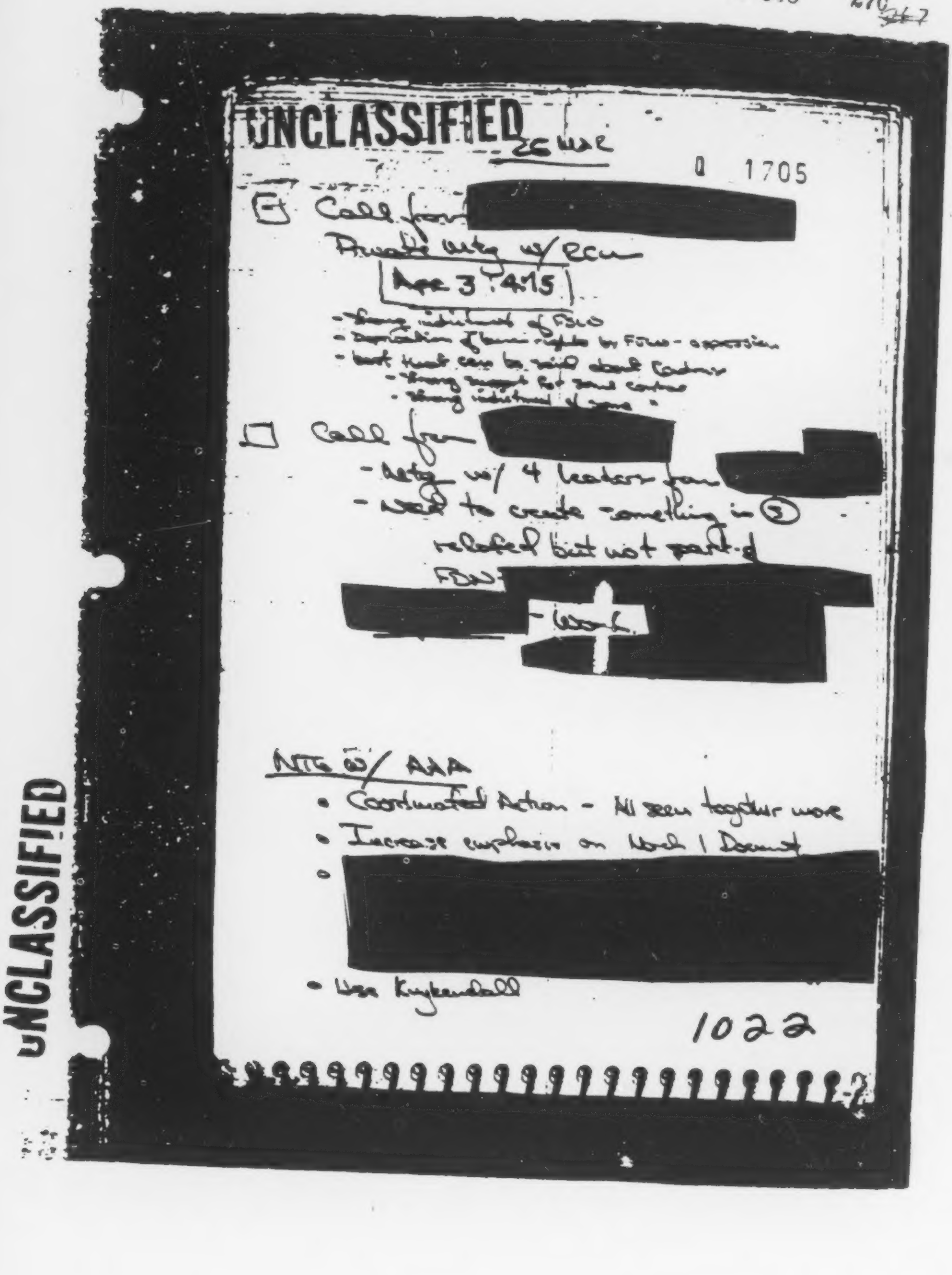
Call? Stud Info Ctr.

11:00 - 11:30

1021
~~1017~~

U CLASSIFIED

70 9.8 ~~270~~ ~~267~~



UNCLASSIFIED

ES use

Q 1705

☐ Call from [redacted]

Private Mtg w/ RCM

Apr 3 : 4:15

- Strong indictment of FSLN
- Deprivation of human rights by FSLN - oppression
- Best that can be said about Contras
  - Strong support for [illegible] Contras
  - Strong indictment of same "

☐ Call from [redacted]

- Mtg w/ 4 leaders from [redacted]
- Want to create something in ③ related but not part of FDN [redacted] - Word. [redacted]

Mtg w/ AAA

- Coordinated Action - All seen together more
- Increase emphasis on North / Document
- [redacted]
- Use Kuykendall

1022

UNCLASSIFIED

70 9.8 P48 ~~271~~

UNCLASSIFIED 7 Dec 84 Q 1706

☐ Call from Noreen
- Info from down South

[redacted]

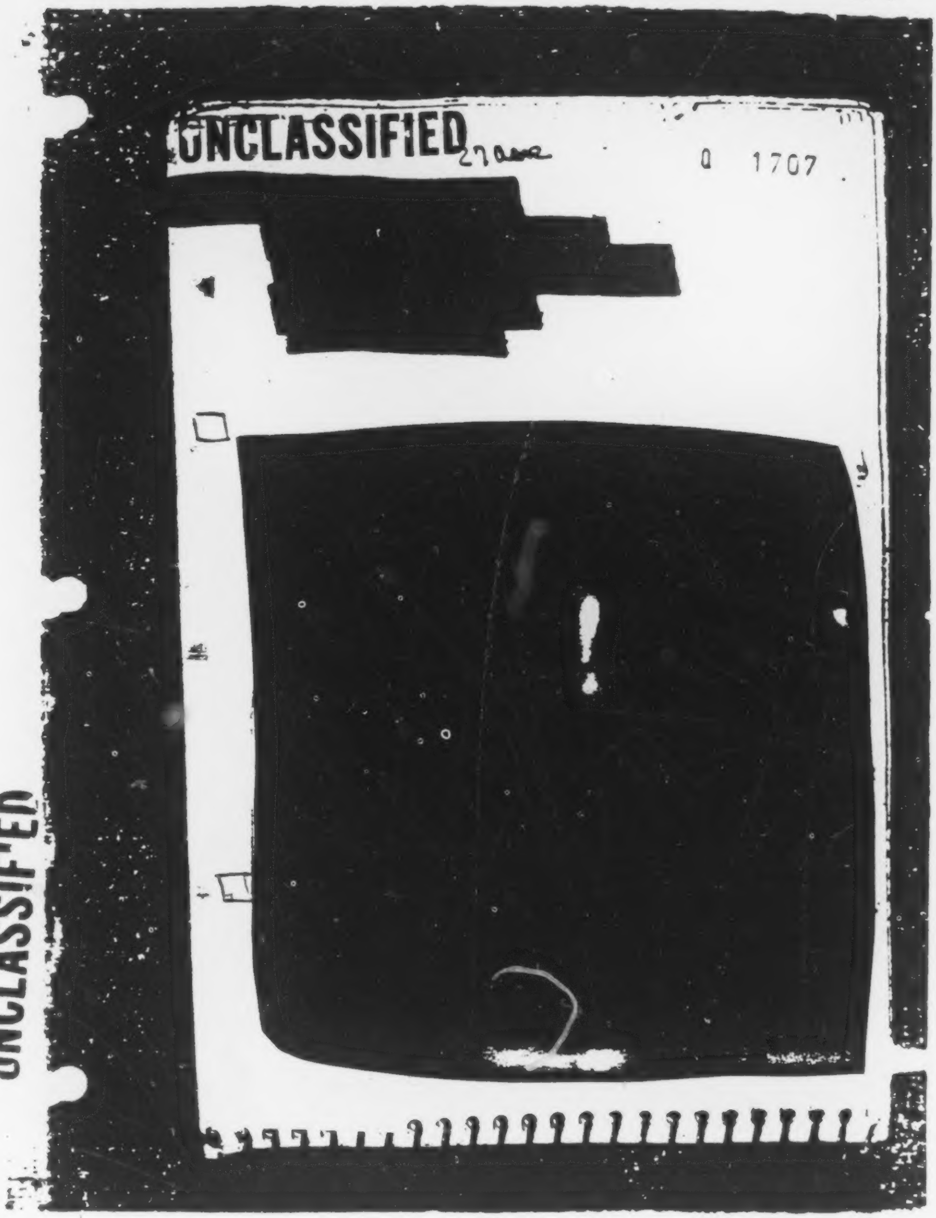
☐ Call from Oakley -
- Quainton very concerned - Kuwait
- Shultz talked to Casey
- Reply was no.

[redacted]

[redacted]

UNCLASSIFIED

7[illegible] 9 5 [illegible]



UNCLASSIFIED 27 [illegible]

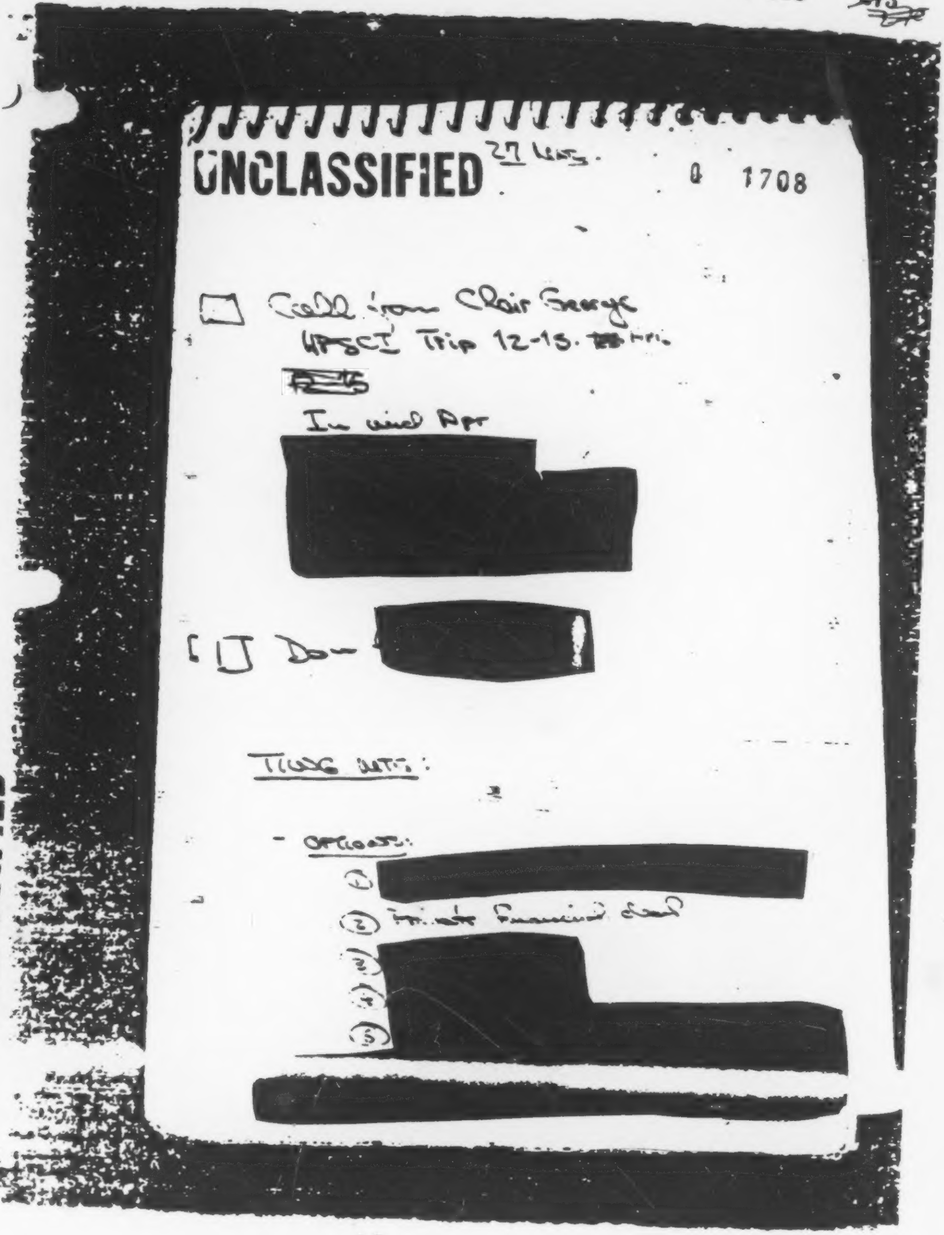
0 1707

[redacted]

[redacted]

UNCLASSIFIED

75 928 ~~273~~ 272



UNCLASSIFIED 27 Nov.

0 1708

☐ Call from Clair George
HPSCI Trip 12-15. ~~[illegible]~~ Hrs.

~~[illegible]~~

In mid Apr

[redacted]

[ ] Do — [redacted]

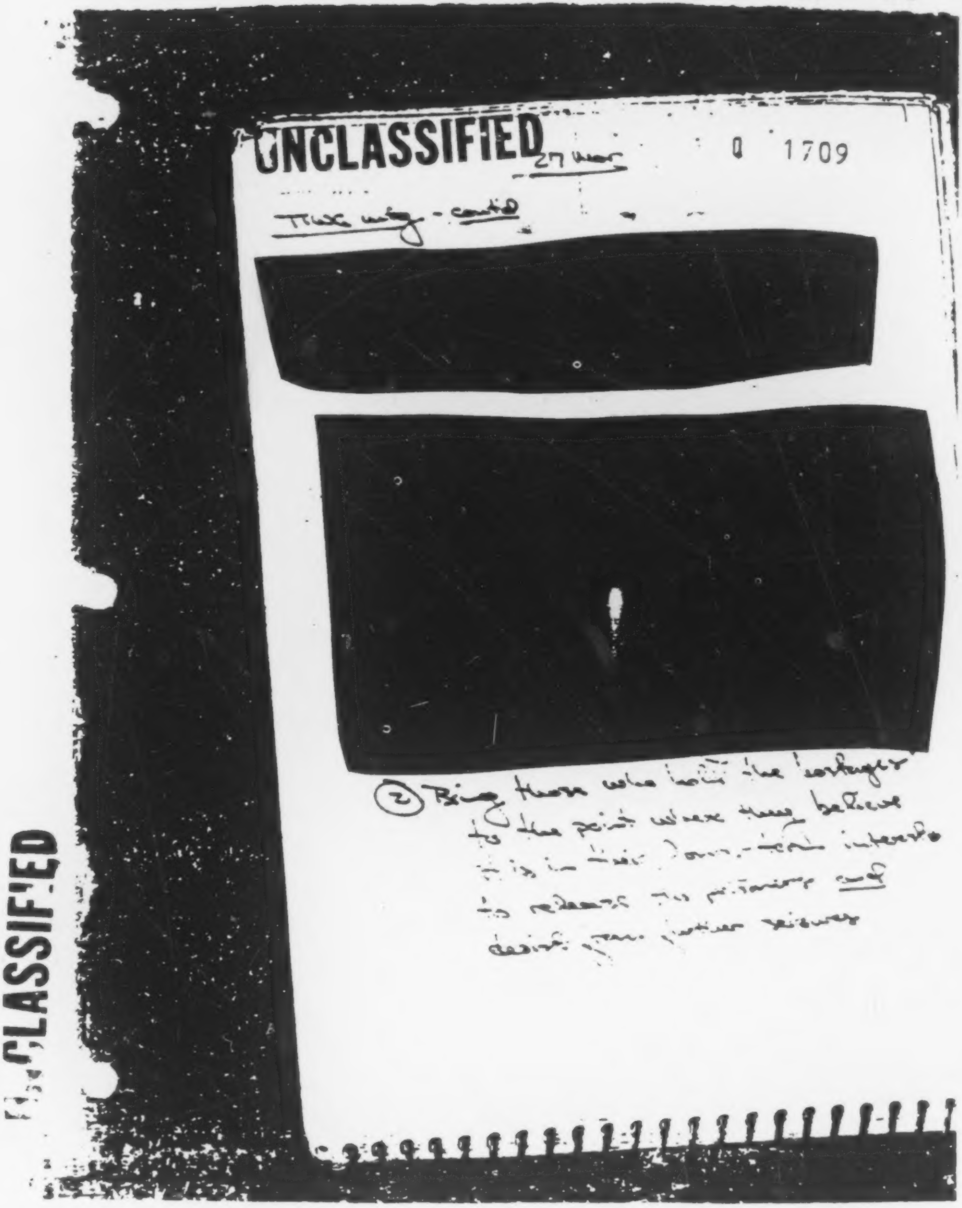
TIWG Mtg:

- Options:
  (1) [redacted]
  (2) Private Financial Deal
  (3)
  (4)
  (5) [redacted]

[redacted]

UNCLASSIFIED

75 9[illegible]8 ~~221~~ 274



UNCLASSIFIED 27 Mar

Q 1709

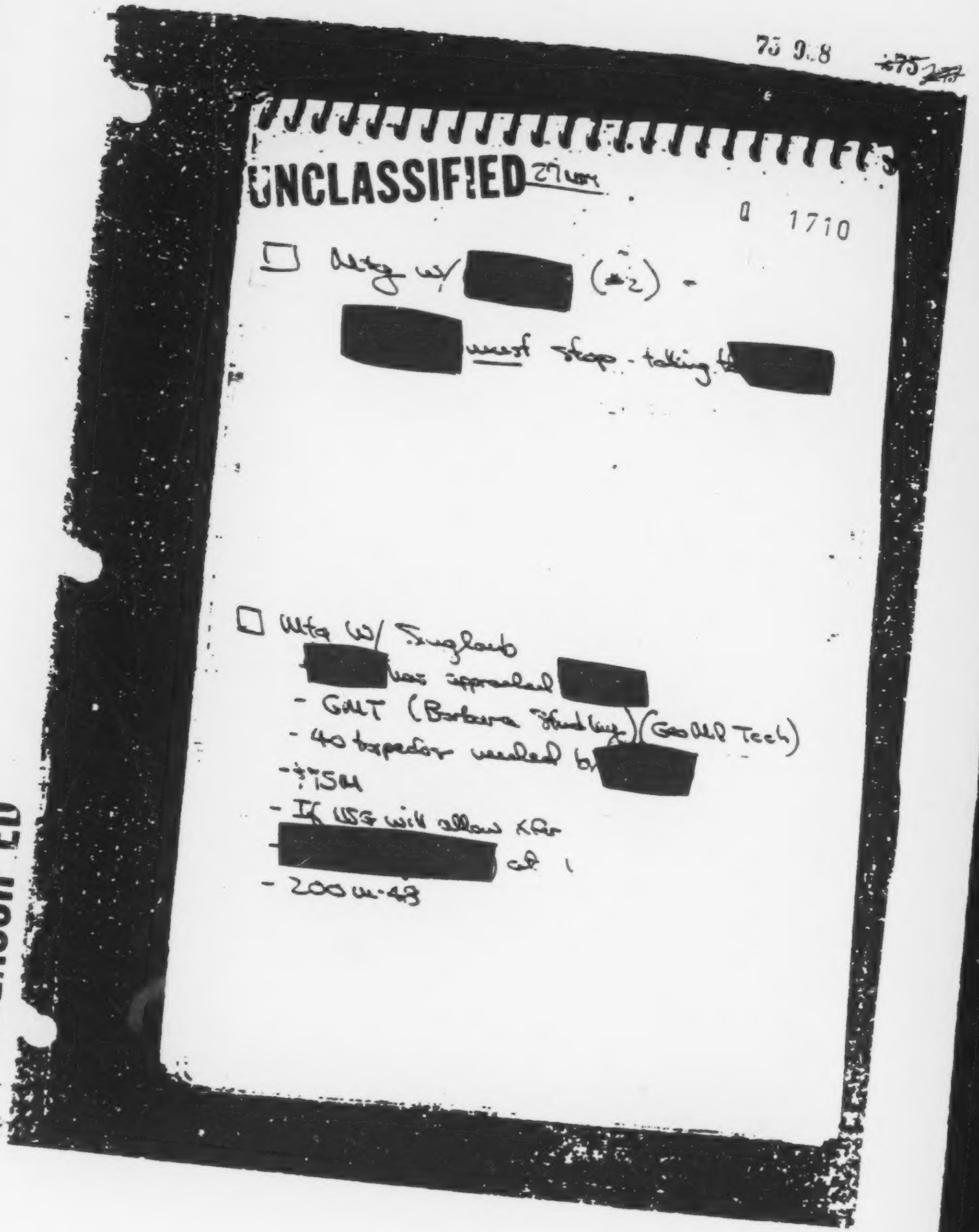
TWG mtg - cont'd

[redacted]

[redacted]

② Bring those who hold the 'hostages' to the point where they believe it is in their long-term interests to release the prisoners and desist from further seizures

UNCLASSIFIED



75 9.8 ~~275~~ 277

UNCLASSIFIED 27 Jun

0 1710

☐ Mtg w/ [redacted] (#2) -

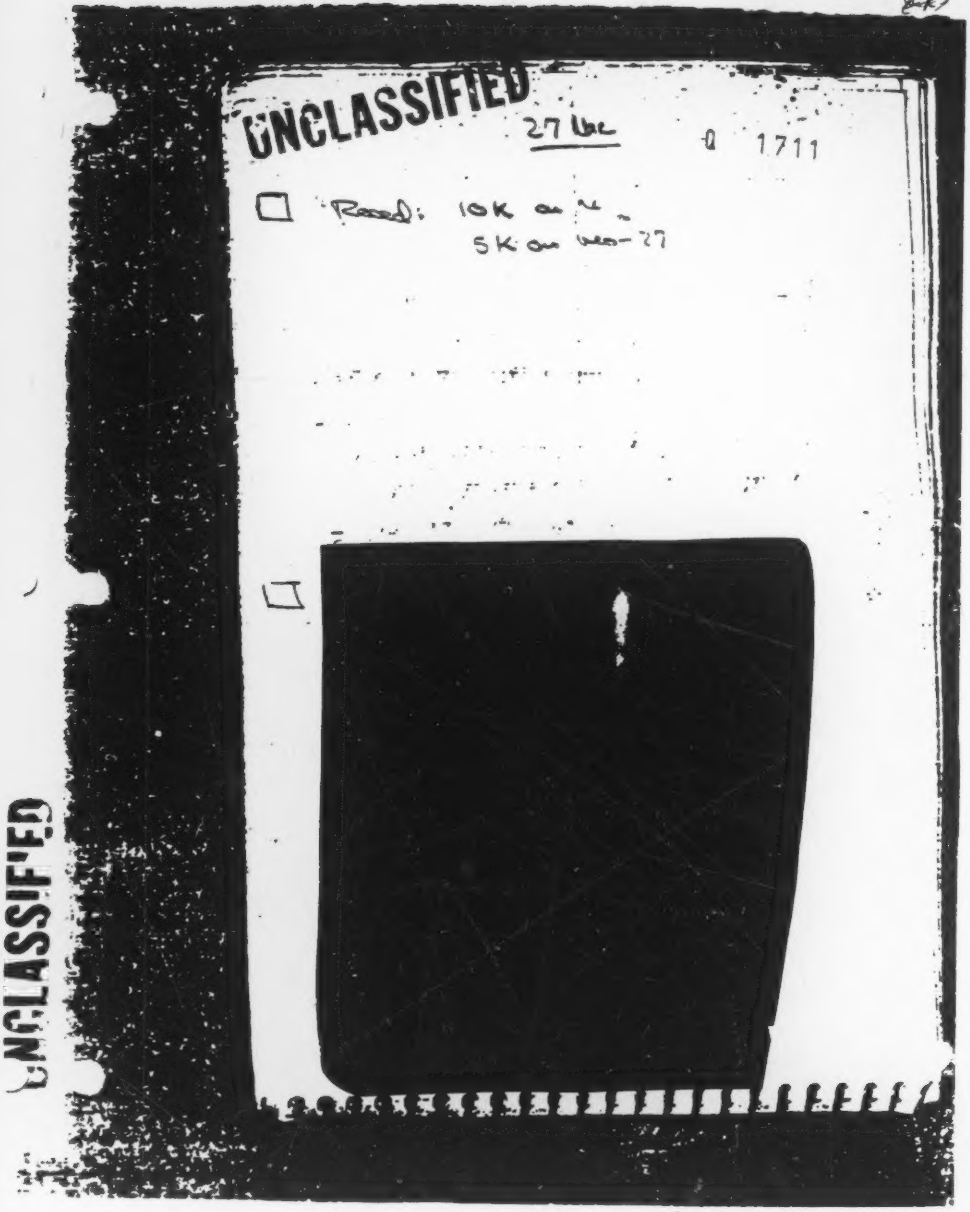
[redacted] must stop - taking t[redacted]

☐ Mtg w/ Singlaub

- [redacted] has approached [redacted]
- GMT (Barbara Studley) (GeoMil Tech)
- 40 torpedos needed by [redacted]
- $15M
- If USG will allow xfer
- [redacted] at 1
- 200 M-48

UNCLASSIFIED

75 9.8 ~~x76~~ [illegible]



UNCLASSIFIED

27 lbc

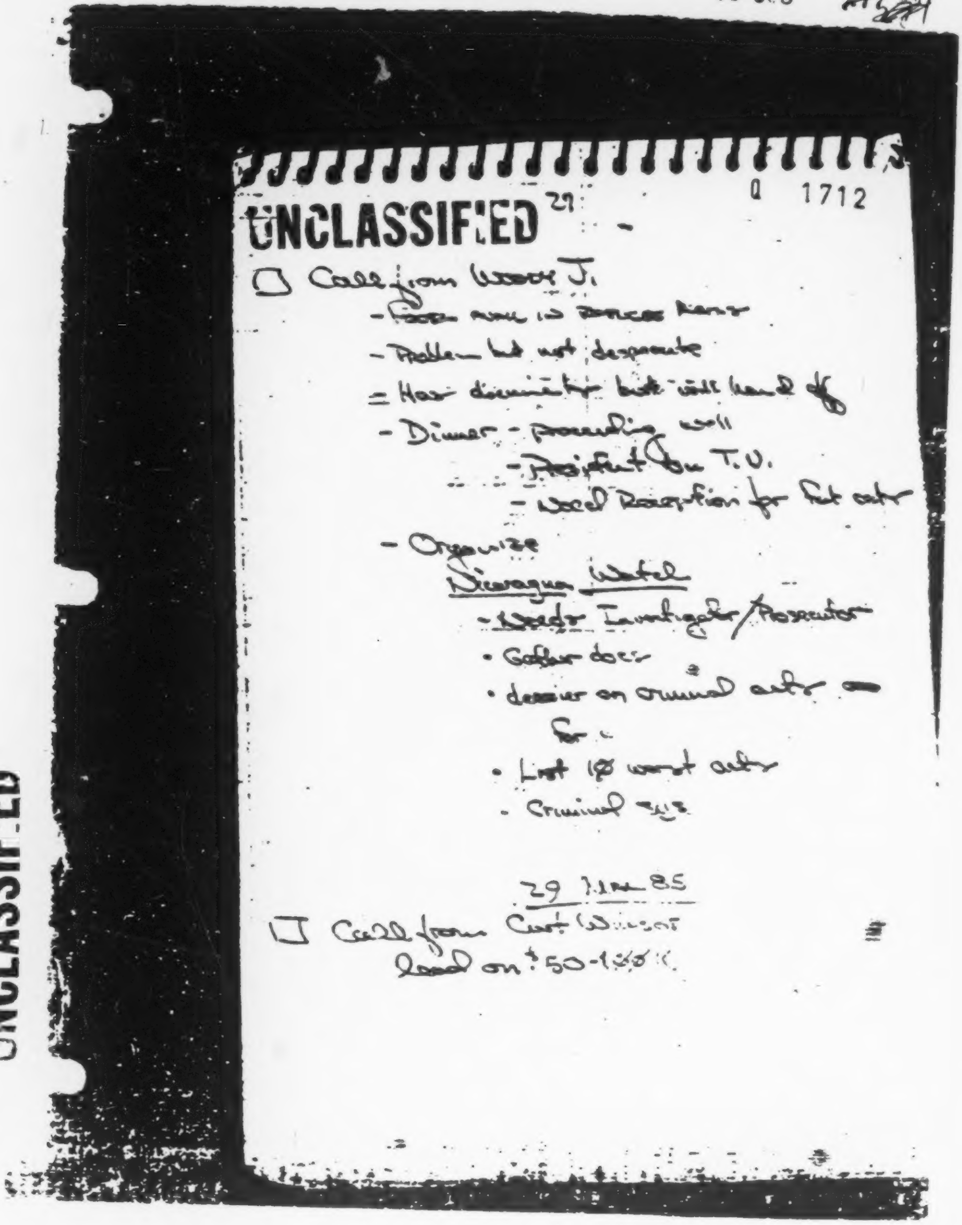
0 1711

☐ Recd: 10K on [illegible]
5K on [illegible]-27

☐

UNCLASSIFIED

75 9.8



UNCLASSIFIED 29

Q 1712

☐ Call from Woody J.
- [illegible]
- Problem but not desperate
= Have dinner for bill will hand off
- Dinner - proceeding well
    - President on T.V.
    - Need Reception for [illegible]
- Organize
  Nicaragua Watch
    - Needs Investigator/Prosecutor
      - Gather docs
      - dossier on criminal acts for
      - List 10 worst acts
    - Criminal [illegible]

29 June 85

☐ Call from Curt Winsor
loan on $50-100K.

UNCLASSIFIED

## EXHIBIT CG-74

UNCLASSIFIED

[redacted]

ACTION

85 6297479 ASR PAGE 001 IN 6297479
TOR: 2[redacted]JAN 85 [redacted]

~~SECRET~~ 2[redacted]JAN 85 STAFF

CITE [redacted]

TO: DIRECTOR.

[redacted]

SUBJECT: SOLICITING OF CONTRIBUTION FROM [redacted]

1. ON 28 JANAURY, [redacted] MAJ. GEN. (RET) JACK SINGLAUB [redacted] REQUEST THAT [redacted] PROVIDE HIM WITH A 2 MILLION DOLLAR CONTRIBUTION THAT WOULD BE USED TO SUPPORT THE FREEDOM FIGHTERS IN NICARAGUA. SINGLAUB [redacted] ALSO SOLICITING CONTRIBUTIONS FROM [redacted] AND OTHERS IN AN EFFORT TO RAISE AT LEAST 10 MILLION DOLLARS. HE SAID THAT THIS FUND RAISING EFFORT HAS BEEN SANCTIONED BY SOMEONE IN THE WHITE HOUSE. [redacted]

2. [redacted] WILL PROBABLY BE PERSUADED TO SUPPORT SUCH A REQUEST BECAUSE IT SYMPATHIZES WITH THE FREEDOM FIGHTERS, BELIEVES THEIR ACTIVITIES ARE IMPORTANT TO FREE WORLD OBJECTIVES AND RECOGNIZES THAT THE U.S. GOVERNMENT IS LEGALLY CONSTRAINED TO PROVIDE NEEDED SUPPORT. [redacted]

CIA

3. WOULD APPRECIATE EARLY AND DEFINITIVE GUIDANCE ON WHAT I CAN TELL [redacted]. I THINK WE ARE WELL AWARE OF WHAT WE CANNOT DO IN THE WAY OF OFFICIALLY ENCOURAGING SUPPORT FOR THE FREEDOM FIGHTERS. THE QUESTION IS WHETHER THERE IS ANYTHING I CAN TELL [redacted] THAT IS NOT COMPLETELY NEGATIVE OR, ON THE OTHER HAND THAT WILL PROTECT [redacted] FROM BEING TAKEN IF THIS REQUEST IS ASSOCIATED WITH A SCAM OF SOME KIND. [redacted] EQUITIES [redacted] ARE NOT UNAFFECTED BY SUCH A REQUEST FROM SINGLAUB [redacted] AS FAR AS [redacted] IS CONCERNED, DOING THINGS LIKE THIS FOR SINGLAUB, [redacted] CIA [redacted] BIG AND CONSIDERABLE FAVORS NO MATTER HOW MUCH WE TRY TO SEPARATE THESE OUTSIDE REQUESTS [redacted] DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE SECRET

3790

Partially Declassified / Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

EXHIBIT
CG-74

[redacted] 7 0 8 279

2.71

UNCLASSIFIED

[redacted]

[redacted]

OUTGOING

```
85 6304669   . ASP                  PAGE 001
                               TOT: 2[redacted]JAN 85      DIRECTOR 234675
------------------------------------------------------------------------------
```

~~SECRET~~

STAFF 2[redacted]DIRECTOR 234675

TO: PRIORITY[redacted]

[redacted]

SUBJECT: SOLICITING OF CONTRIBUTION FROM[redacted]

REF: [redacted]6297479-[redacted]

CIA

YOU SHOULD INFORM[redacted]THAT[redacted]IS NOT INVOLVED IN GENERAL SINGLAUB'S ENTERPRISE, THAT IT HAS NO INTEREST IN THIS EFFORT AND DOES NOT WISH TO MONITOR THESE DEVELOPMENTS. ANY DECISION[redacted]REACHES WITH RESPECT TO SINGLAUB'S REQUEST MUST BE ITS OWN. DECL OADR DRV HUM 4-82. ALL SECRET.>

ORIG:[redacted] COORD: C/LA; REL: DDO. CL BY[redacted]

END OF MESSAGE ~~SECRET~~

UNCLASSIFIED

# EXHIBIT CG–75

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED 0947

CG-75
75

[redacted]

8 FEB 1985

3791

MEMORANDUM FOR: See Distribution List

SUBJECT: [redacted] Support for the Nicaraguan Armed Opposition Sandino Revolutionary Front

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE

[redacted]

1. [redacted]

2. During January 1985, a ship is scheduled to deliver 200,000 pounds of military supplies from [redacted] to the Sandino Revolutionary Front (FRS). [redacted]

3. [redacted]

APPROVED FOR RELEASE
24 March 87
HSC & SSC

[redacted]

UNCLASSIFIED

COPY 3 OF 24

CUW 800

[redacted]

7ɔ 9..8 ~~281~~ 27

UNCLASSIFIED

—T 0948

[redacted]

4. [redacted]

5. [redacted]

6. This information is being made available to the U.S. Ambassadors [redacted] and to the Commander-in-Chief of the U.S. Southern Command.

Clair E. George
Deputy Director for Operations

[redacted]

A

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 87
HSC + SSC

UNCLASSIFIED

75 908 ~~282~~
2014

C 0949

WARNING NOTICE
INTELLIGENCE SOURCES OR METHODS INVOLVED

EXTERNAL DISTRIBUTION LIST:

COPY NO. 1: Mr. Morton I. Abramowitz
The Director of Intelligence and Research

COPY NO. 2: The Honorable Kenneth W. Dam
Deputy Secretary of State

COPY NO. 3: Mr. Robert MacFarlane
Assistant to the President
for National Security Affairs

COPY NO. : Ambassador Langhorne A. Motley
Assistant Secretary of State
for Latin American Affairs

COPY NO. 5: [redacted]

COPY NO. 6: Lt. General James A. Williams
Director, Defense Intelligence Agency

COPY NO. 7: [redacted]

COPY NO. : Deputy Director for Intelligence

COPY NO. : National Intelligence Officer
for Latin America

COPY NO. 10: [redacted]

COPY NO. 11: [redacted]

[redacted]

REVIEWED FOR RELEASE
Date 24 March 87
HSC + SSC

UNCLASSIFIED

800

## EXHIBIT CG-76

UNCLASSIFIED

86-4068R

CG
76

28 November 1986

0396

MEMORANDUM FOR THE RECORD

The following is a reconstruction of cryptic notes that I have from a 5 December 1985 meeting in DDCI John N. McMahon's Office with then DDI, Bob Gates; D/NESA [redacted] then ADDO, Ed Juchniewicz; then C/NE Division, [redacted] [redacted] and I believe then DC/Europe, [redacted]

° The DDCI requested facts on the following by the next day:

--The political scene in Iran, including any possible dissension, unrest, etc;

--Biography of [redacted]

--[redacted]

--Was it true that Iran was trying to get U.S. Hawk missiles to knock out Soviet Bear aircraft over Iran or the Iran/Iraq border.

--The status of the Iran/Iraq war, including a prognosis of what each might do and a table reflecting an order of battle for each side.

° DDCI noted that he would be attending a meeting at 10:00 AM on Saturday, 7 December, with the President regarding the expansion of the informal link between the Iranians and the Israelis;

--He noted that a new "private interlocutor" was working with Israeli Foreign Ministry Official David Kimche;

--Noted that Iran wanted to get closer to the United States and wondered (DDCI) whether this could be a ruse to get Hawk missiles.

° DDCI noted that Saturday's meeting would take stock of the two-track program now underway: one to free the hostages and the other to expand our ties with Iran. Meetings were planned in Geneva between the United States and Iran in the short term.

(3792)

UNCLASSIFIED

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

I 0397

- [redacted] reviewed what had been done so far:

  --One plane load had been sent to the Iranians on 24 November; we did not know if that included Hawk missiles;

  --Oliver North was to get to London that weekend for discussions; the following week he was arranging up to five plane loads, including 747s;

  --These would probably overfly [redacted] going from Israel [redacted] to Iran;

  --President signed the finding; (I am not certain who at the meeting actually said this.) [redacted]

  --Oliver North was lining up the planes; we don't know how.

- In response to a question about a clearance for the landing rights, someone noted that [redacted] were standing by;

- A question was raised regarding a plane going to Iran from Jerusalem and possibly stopping in Texas; [redacted] No further information was available.

- A review of recent Iranian reporting noted the following:

  --No real opposition that we could capitalize on;

  --Khomeini seemed to be in better health;

  --The economic situation was deteriorating;

  --The possibility of a new major offensive could stimulate opposition within Iran;

  --Key players were Kimche and the private U.S. citizen--interlocutor.

  --Weir released for one plane load; got nothing for second load. [redacted]

  --DDCI requested that the source of this information be checked.

- DDCI also requested any intelligence coverage [redacted]

UNCLASSIFIED

75 9.8 ~~285~~

- [redacted]
- CIA had so far spent [redacted] for a total of [redacted] on the hostage issue. DDCI emphasized money spent to continue the intelligence flow regarding the location of the hostages was permissible. | 0398

[redacted]

UNCLASSIFIED

## EXHIBIT CG–77

UNCLASSIFIED

Exhibit CG-77

Document

Exhibit CG-77

Deleted in its Entirety

3793

Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

## EXHIBIT CG-78

UNCLASSIFIED

Exhibit CG-78

Document

Exhibit CG-78

Deleted in its Entirety

(3794)

Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

# EXHIBIT CG-79

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

UNCLASSIFIED

— PJ [illegible] add in Dec

EXHIBIT
CG-79

14 December 1984

MEMORANDUM FOR: Director of Central Intelligence

FROM : Deputy Director for Intelligence

SUBJECT : Nicaragua

1. It is time to talk absolutely straight about Nicaragua. To recap where we are:

-- [redacted]

-- The Soviets and Cubans are turning Nicaragua into an armed camp with military forces far beyond its defensive needs and in a position to intimidate and coerce its neighbors.

-- The Nicaraguan regime is steadily moving toward consolidation of a Marxist-Leninist government and the establishment of a permanent and well armed ally of the Soviet Union and Cuba on the mainland of the Western Hemisphere. Its avowed aim is to spread further revolution in the Americas.

-- The FDN has been denied American assistance. [redacted]

-- [redacted] of refugees and others who, seeing abandonment of American efforts to force the Sandinistas to alter their regime, will see the handwriting on the wall, determine that their personal futures are in peril and leave the country. It is altogether conceivable that we could be

CIIN 1951

UNCLASSIFIED

CL BY SIGNER

39,151

3795

75 9[illegible]8 ~~289~~ 286

UNCLASSIFIED

looking at an initial refugee wave from Nicaragua over the first year of [redacted] people (the families of the Contras alone could account for [redacted]).

-- Failure of the United States to provide further assistance to the resistance and collapse of the Contra movement would force [redacted]

-- These unsettled political and military circumstances in Central America would undoubtedly result in renewed [redacted] and result in both new hardship and political instability throughout the region. (S)

2. These are strong assertions but our research as well as the reports of our people [redacted] [redacted] make it possible to substantiate each of the above points. (S)

3. What is happening in Central America in many ways vividly calls to mind the old saw that those who forget the past are condemned to repeat it.

-- In 1958-60 we thought that we could reach some sort of an accommodation with Castro that would encourage him to build a pluralistic government in Cuba. We have been trying to do the same thing with the Nicaraguans, with the same success.

-- In Vietnam, our strategy consisted of a series of measures applied very gradually and over a long period of time. With each step of new US involvement the gradual approach enabled the enemy to adjust to each new turn of the screw so that by the end of the war, even in the face of the most severe bombing, the Vietnamese had developed enormous tolerance. Half measures, half-heartedly applied, will have the same result in Nicaragua

-- In 1975, the United States President announced that American assistance to UNITA in Angola was in the national interest of the United States and strongly urged the Congress to support military assistance to that group. The Congress turned it down, thereby not only proving that the United States would not involve itself in any significant way in the Third World to combat Soviet subversion and activity but, moreover, that the Congress could effectively block any moves the President did wish to make. The Boland Amendment and the cutoff of aid to the Contras is having the same

C11W 1951

UNCLASSIFIED

39

75 9 8 ~~290~~ 289

UNCLASSIFIED

effect again, showing the Soviets and our Third World friends how little has changed in nine years, even with a President like Ronald Reagan.

-- In a variety of places, including Vietnam, negotiations in effect became a cover for the consolidation and further expansion of Communist control. While they might observe whatever agreements were reached for the first weeks or as long as American attention (particularly media attention) was focused on the situation, they knew they could outlast our attention span. Usually within a relatively short period of time they were openly violating whatever agreements had been achieved. (S)

4. The truth of the matter is that our policy has been to muddle along in Nicaragua with an essentially half-hearted policy substantially because there is no agreement within the Administration or with the Congress on our real objectives. We started out justifying the program on the basis of curtailing the flow of weapons to El Salvador. Laudable though that objective might have been, it was attacking a symptom of a larger problem in Central America and not the problem itself.

5. [redacted]

[redacted]

CIIN 1951

UNCLASSIFIED

Executive Registry

3 -

UNCLASSIFIED 73 9.8 ~~29~~

Page 4 denied in its entirety.

UNCLASSIFIED

UNCLASSIFIED 9.8

[redacted]

RG.

Robert M. Gates

CIIN 1951

UNCLASSIFIED

39155

## EXHIBIT CG-80

UNCLASSIFIED

EXHIBIT
CG-80

2-9c

6 December 1984

MEMORANDUM FOR: Deputy Director of Central Intelligence
Deputy Director for Operations
Chief, Latin America Division, DO
Chief, Central America Task Force, DO

FROM: Director of Central Intelligence

SUBJECT: Analysis of the Nicaraguan Revolution

1. That's a good analysis of the Nicaraguan revolution and our options with respect to it that the Central America Task Force did recently. We now have to get the best thinking here on the policy and operational actions for which it calls, and this should be done as quickly as possible. As the analysis states so well, time is short.

2. What is really needed is an approach to the Nicaraguan problem which is [redacted] comprehensive [redacted] these papers call for our work with the resistance to be supported [redacted] by all elements of the US Government [redacted] we need the involvement of other countries which have a stake in checking communist expansionism in the less developed world. [redacted] In our backyard we should not, in my opinion, discourage support to check Soviet and Cuban expansionism from these and other countries, including [redacted], which have indicated some degree of interest.

3. [redacted]

William J. Casey

3796

Partially Declassified/Released on 8-21-87
under provisions of E.O. 12356
by B. Reger, National Security Council

CL BY [redacted]
RVW OADR

Executive Registry

C11N 1953

UNCLASSIFIED

# APPENDIX B: OTHER DOCUMENTS AND MATERIALS INTRODUCED AT THE HEARINGS

# Text of Goldwater's Letter to Head of C.J

4/11/84 NYT.

Special to The New York Times

*WASHINGTON, April 10 — Following is the text of a letter sent Monday to William J. Casey, Director of Central Intelligence, by Senator Barry Goldwater, Republican of Arizona, in his capacity as chairman of the Senate Select Committee on Intelligence:*

Dear Bill:

All this past weekend, I've been trying to figure out how I can most easily tell you my feelings about the discovery of the President having approved mining some of the harbors of Central America.

It gets down to one, little, simple phrase: I am [expletive deleted]!

I understand you had briefed the House on this matter. I've heard that. Now, during the important debate we had all last week and the week before, on whether we would increase funds for the Nicaragua program, we were doing all right until a member of the committee charged that the President had approved the mining. I strongly denied that because I had never heard of it. I found out the next day that the C.I.A. had, with the written approval of the President, engaged in such mining, and the approval came in February!

Bill, this is no way to run a railroad and I find myself in a hell of a quandary. I am forced to apologize to the members of the intelligence committee because I did not know the facts on this. At the same time, my counterpart in the House did know.

The President has asked us to back his foreign policy. Bill, how can we back his foreign policy when we don't know what the hell he is doing? Lebanon, yes, we all knew that he sent troops over there. But mine the harbors in Nicaragua? This
lating international law.
war. For the life of me, I
how we are going to explain it.

My simple guess is that the Ho
is going to defeat this supplemental and we will not be in any position to put up much of an argument after we were not given the information we were entitled to receive; particularly, if my memory serves me correctly, when you briefed us on Central America just a couple of weeks ago. And the order was signed before that.

I don't like this. I don't like it one bit from the President or from you. I don't think we need a lot of lengthy explanations. The deed has been done and, in the future, if anything like this happens, I'm going to raise one hell of a lot of fuss about it in public.

Sincerely,
BARRY GOLDWATER
Chairman

April 10, 1984

000216

563
~~569~~

75 938

CBS EVENING NEWS
with
DAN RATHER
(Bob Schieffer substituting)

as broadcast over the

CBS TELEVISION NETWORK

Friday, April 6, 1984

6:30 - 7:00 PM, EST
7:00 - 7:30 PM, EST
(Update)

PRODUCED BY CBS NEWS

EXECUTIVE PRODUCER: Lane Venardos

© MCMLXXXIV CBS Inc.
ALL RIGHTS RESERVED

000216

564
~~560~~

75 938 [redacted]

**CBS EVENING NEWS WITH DAN RATHER** **4/6/84**
**(Bob Schieffer substituting)**

***SCHIEFFER: U.S. Government sources have told CBS News that the Intelligence Agency is actively directing the mining of Nicaraguan ports. It been thought that anti-Sandinista rebels were responsible, but these government sources say the rebels are not doing any of the mine-laying. The nationality of just who is is not known. The CIA has a freighter off Nicaragua's coast and sources say boats are lowered from it to take the mines into the harbors.**

**(Ahead: Month's Worth of Rain / Swish . . . History is Made)**

**(ANNOUNCEMENTS)**

---

*** Repositioned here in 7:00 East (see p. 13)**

565
~~564~~

UNCLASSIFIED

217000

OGC-87-50577
2 March 1987

EXHIBIT
[redacted] 13

MEMORANDUM FOR: General Counsel

FROM: [illegible] George Jameson
Associate General Counsel

SUBJECT: Assistance to Military Resupply Activities of the Nicaraguan Democratic Resistance

**ISSUE:**

1. You have asked for an opinion on CIA's authority during Fiscal Year 1986 to provide assistance to the military resupply efforts of the Nicaraguan democratic resistance. The question arises because of allegations that a CIA officer during that time provided information to members of the resistance and to persons, the so-called "private benefactors," aiding them to enable the resistance to receive weapons, ammunition, and other supplies inside Nicaragua during the period of a congressional limitation on the expenditure of funds to support paramilitary operations in Nicaragua. This memorandum was provided to, and discussed with, you in draft on 26 January 1987. It is substantially identical to that draft, except that it incorporates editorial comments [redacted] provided to me on 5 February 1987.

**SUMMARY:**

2. During Fiscal Year 1986, CIA was authorized to provide limited information and advice to support the effective delivery and distribution of military equipment to the resistance. It is both the degree of CIA's involvement and the nature of that involvement that is determinative. The law authorized CIA to share intelligence with the resistance.

3706

Partially Declassified/Released on 30 May 1987
under provisions of E.O. 12356
by C. Reger, National Security Council

UNCLASSIFIED

CL BY [redacted]
DECL OADR
DRV FM HUM 4-82
ALL SECRET

[illegible] FOR RELEASE
21 March

~~SECRET~~
UNCLASSIFIED

including information that would have potential military significance. The congressional report language states that CIA could not, however, engage in activities "that amount to participation in the planning or execution of military or paramilitary operations in Nicaragua by the Nicaraguan democratic resistance, or to participation in logistics activities integral to such operations." In my opinion, the law provided authority for CIA to provide information involving safe delivery sites, weather conditions, hostile risk assessments, and the like to assist the Nicaraguan resistance in their resupply activities, where CIA's role did not amount to participating in the actual delivery of material or in planning, directing, or otherwise coordinating deliveries during the course of or in the context of specific military engagement.

LEGISLATIVE HISTORY:

3. The applicable statutory provision is found at section 105 of the Intelligence Authorization Act for Fiscal Year 1986 (P.L. 99-169, 4 Dec. 1985), which provides:

> (a) Funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated and expended during fiscal year 1986 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance to support military or paramilitary operations in Nicaragua only as authorized in section 101 and as specified in the classified Schedule of Authorizations referred to in section 102, or pursuant to section 502 of the National Security Act of 1947, or to section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88).
>
> (b) Nothing in this section precludes--
>
> (1) administration, by the Nicaraguan Humanitarian Assistance Office established by Executive Order 12530, of the program of humanitarian assistance to the Nicaraguan democratic resistance provided for in the Supplemental Appropriations Act, 1985, or

A

~~SECRET~~
UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 87

UNCLASSIFIED

> (2) activities of the Department of State to solicit such humanitarian assistance for the Nicaraguan democratic resistance.

The Joint Explanatory Statement that accompanied the conference report to H.R. 2419, which was the House version of this provision, stated:

> The conferees note that under current law and the restriction contained in Section 105 of this Conference Report, the intelligence agencies may provide advice, including intelligence and counter-intelligence information, to the Nicaraguan democratic resistance. Section 105 does not permit intelligence agencies to engage in activities, including training other than the communications training provided for pursuant to Section 105, that amount to participation in the planning or execution of military or paramilitary operations in Nicaragua by the Nicaraguan democratic resistance, or to participation in logistics activities integral to such operations. H.R. Rep. No. 99-373, 99th Cong., 1st Sess. 16 (1985).

4. In his presentation of the bill, HPSCI Chairman Hamilton stated that "training, or any other activities--including advice--that amount to participation in the planning or execution of military activities by the Contras, or acting as military advisors to the Contras, is prohibited." Cong. Rec. H.10294 (daily ed. 19 Nov. 1985).

> Section 105 represents a small step forward toward full support for the resistance by permitting cooperation in the areas of information sharing, advice, transportation, and humanitarian aid. Id. at H.10296.

The tranportation assistance referred to above by Chairman Hamilton was to be provided by the State Department--not

UNCLASSIFIED

217030

UNCLASSIFIED

CIA--for delivery of humanitarian aid, and would constitute participation rather than mere provision of advice. It was in this context that Representative Bonior specifically addressed the restriction on CIA's participation in activities "such as training, or anything including logistical support, that would amount to participation in the planning or execution of paramilitary or military operations in Nicaragua." He drew the distinction between permissible and nonpermissible involvement as follows:

> Thus, Mr. Speaker, the intelligence authorization conference report has drawn a clear line between, on the one hand, the sharing of intelligence information with the Contras, which U.S. agencies involved in intelligence activities are permitted to do; and, on the other hand, planning for, participation in, or providing advice on any paramilitary or military operations, which U.S. agencies involved in intelligence activities are expressly prohibited from doing. Id. at H.10297.

Congressman Hamilton agreed.

5. Two days later, Senator Durenberger, in presenting the bill to the Senate for passage, attempted to clarify the intent of the provision:

> Clearly, the intelligence agencies will be providing information and advice on matters of concern to the Nicaraguan democratic resistance, such as information on Sandinista capabilities, resources and intentions, and advice on matters such as effective delivery and distribution of materiel. The conferees have, however, specified that the intelligence agencies are not to engage in activities that actually amount to participation in the planning or execution of military or paramilitary operations in Nicaragua by the Nicaraguan democratic resistance, or to participation in logistics activities integral to such operations. Cong. Rec. S.16074 (daily ed. 21 Nov. 1985).

UNCLASSIFIED

REVIEWED FOR RELEASE

UNCLASSIFIED

The legislative history, therefore, seems to draw distinctions between, on the one hand, participation, planning, and providing advice (which would not be permitted in support of paramilitary operations) and, on the other hand, information-sharing, including advice on the delivery of supplies. This information-sharing would be authorized even if it would have potential military significance so long as it did not amount to participation, planning, or military advice. There is no clear indication that Congress intended to prohibit CIA from giving advice on supply operations, and some indication that it did intend to distinguish between mere information-sharing and actual participation in such operations. Furthermore, there would appear to be a valid distinction between permissible, general military resupply operations and operations in the context of specific military operations, which were not authorized.

OGC VIEWS:

✓ 6. With this in mind, the Office of General Counsel, following enactment of the bill into law, took a forward-leaning although guarded position on the provision of information relating to the supply of resistance forces. → Essentially, OGC interpreted the law not to distinguish between information or advice of a logistical nature and advice in general, except for advice on specific military operations. On 19 December 1985, then General Counsel Stanley Sporkin noted to the Director of Central Intelligence in the context of this congressional restriction that: "while advice on logistical matters not 'integral' to military operations would be acceptable, there is a fine line to be drawn and greater cause for concern the closer the CIA role approaches the provision of advice that supports specific military operations" (Tab A). In addressing the implications of any efforts for CIA to give advice on the effective delivery and distribution of military equipment, Mr. Sporkin seemed to say that OGC could legally defend CIA's authority to do so, although he thought that this would have to be worked out with the intelligence committees in order to maintain a consensus on the program. This cautionary note was given in the face of disagreement that arose between HPSCI Chairman Hamilton and SSCI Chairman Durenberger following

UNCLASSIFIED A

~~S-E-C-R-E-T~~

REVIEWED FOR RELEASE

217600

UNCLASSIFIED

the enactment of section 105 and in light of the latter's statement to the Senate.

HPSCI/SSCI DISAGREEMENT:

7. Chairman Hamilton, in a letter to the DCI on 4 December 1985, stated that the law intended to preclude advising the resistance on "logistical operations upon which military or paramilitary operations depend for their effectiveness" (Tab B). Senator Durenberger disagreed and, in a letter to Hamilton dated 5 December 1985, stated that he believed the law would preclude advice on logistics activities integral to the effectiveness of particular military or paramilitary operations if it would amount to "participation" in such activities, even if that participation were not "physical." However, he distinguished between "general logistical advice (or logistical advice related to humanitarian or communications assistance) and advice that amounts to participation in logistics activities integral to military or paramilitary operations" (Tab C). Clearly, Senator Durenberger, in responding to Congressman Hamilton, intended to permit a wider range of advisory activities than Chairman Hamilton. In a reply, on 9 December 1985 (Tab D), Chairman Hamilton expressed his continued disagreement. He also implied that this was because any logistical advice could be used to support paramilitary operations, and be seen as prohibited military advice:

> It would ill serve the Agency to become embroiled in controversy at this juncture regarding a matter about which Congress has expressed such repeated reservations.

Setting aside for a moment the purely hortatory nature of this language, if Chairman Hamilton's view were adopted, it would mean that Congress intended that CIA provide no military-related information to the resistance. (See Tab E for OGC opinion on authority to share intelligence of potential military significance.) He does not differentiate between logistical advice and military advice, between information-sharing and participation in, or planning for military operations, or between activities integral to military operations and provision

UNCLASSIFIED A

~~S-E-C-R-E-T~~

REVIEWED FOR RELEASE

217000

UNCLASSIFIED

of information to support logistics activities in a more general context (that is, not involving a specific military operation or engagement as opposed to routine or periodic resupply). This Agency, in fact, adopted an interpretation more in line with the SSCI position.

CONGRESSIONAL BRIEFINGS:

8. On 3 February 1986, Chairman Hamilton requested an interpretation of the phrase "effective delivery and distribution of materiel to the resistance," and asked how CIA would "ensure that advice you may give does not rise to training resistance forces in logistics activities." The Agency's response made it clear that it considered the provision of advice to support resupply efforts to be authorized, including "general advice that is not specific or essential to planning or executing military or paramilitary operations in Nicaragua" (Tab F). I believe the exchange indicates a clear HPSCI recognization that CIA would give resistance information and advice relating to resistance activities.

CONCLUSION:

9. In conclusion, in Fiscal Year 1986 CIA was authorized to provide information to the Nicaraguan Democratic resistance that could include intelligence information of potential military significance; for example, information on Sandinista capabilities, resources, and intentions. CIA also could provide advice on matters such as the effective delivery and distribution of military equipment, so long as this did not amount to participation in paramilitary operations in Nicaragua, either in their planning or execution, or in logistics activities "integral" to such operations. Advice could rise to the level of participation if CIA took an active part in planning or coordinating resupply missions for specific paramilitary operations. However, merely passing intelligence on Sandinista gun or radar placements, weather conditions, flight vectors, and other information to assist in the delivery of supplies for general maintenance of the forces in the field would not seem to be prohibited, both because this would not constitute "participation," and because this would not be "integral" to a "paramilitary operation" as contemplated by

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 87

217000 UNCLASSIFIED

Congress. To adopt the more restrictive view of HPSCI Chairman Hamilton would require a determination that all advice or information-sharing on logistics operations, even general advice unrelated to a specific resupply effort, would be prohibited because that, too, would be participation "integral" to military operations in Nicaragua. Congress, in my view, did not intend to go so far. Accordingly, the same kind of information-sharing with the public benefactors for [illegible] resupply/logistics activities not "integral" to specific military or paramilitary operations, as that term was contemplated by the statute, also would not be precluded by law. Of course, all relevant facts would have to be reviewed in order to determine whether the activities of a specific CIA employee were consistent with the statute during the applicable period.

W. George Jameson

W. George Jameson

Attachments, a/s

A

UNCLASSIFIED

REVIEWED FOR RELEASE
Date 24 March 92

217000 UNCLASSIFIED

[redacted]

[redacted]
OUTGOING

86 1005530 ASO PAGE 001
TOT: 28[redacted] MAY 86 DIRECTOR 890554

~~SECRET~~
STAFF 28[redacted] DIRECTOR 890554
TO: IMMEDIATE [redacted]

SUBJECT: [redacted] GUIDELINES REGARDING UNO/FDN AND UNO/SOUTH

1. HQS WISHES TO REAFFIRM WITH [redacted] GUIDELINES THAT NO REPEAT NO [redacted] MATERIEL OR MONETARY SUPPORT CAN BE PROVIDED TO UNO/FDN OR UNO/SOUTH REPRESENTATIVES AT [redacted]. [redacted] CAN PROVIDE ADVICE AND COMMO EQUIPMENT AS APPROVED BY HQS, AND CAN ENGAGE IN INTELLIGENCE EXCHANGE AS APPROVED BY HQS.

2. FILE: [redacted] DECL OADR DRV HUM 4-82 ALL SECRET.>
ORIG: [redacted]; AUTH: [redacted]; COOR [redacted]; REL:
CLACATF [redacted]. CL B[redacted]

END OF MESSAGE ~~SECRET~~

18Aug87 (3702)

[redacted]

K-5
28 May 86

~~SECRET~~ UNCLASSIFIED

217000 **UNCLASSIFIED** Secord

~~[illegible]~~

211430MAY 86 0

Our understanding CAI, Steel and possibly Amb have had Long meeting over last two days. Results thus far. [redacted] can no longer speak to anyone, include Ralph, on operational matters. CIA says there will be one operator/controller sent here from Uno who will direct all operations. Once he is here, [redacted] must turn in his 43, we don't know about Steel's. In [redacted] conversation with Ralph last night, he said we will be his only means of support, none will come from [redacted] Do not know yet what Steel's role will be in future. Evidently CIA has done much discussing with Washington lawyers on this and are concerned with their legal status in this program. Know you have same concern for our position but can work out with Good.

Partially Declassified/Released on 18 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

4 MAY 87
Council

3703

9 May 87

**UNCLASSIFIED**

U.S. HOUSE OF REPRESENTATIVES
SELECT COMMITTEE TO INVESTIGATE
COVERT ARMS TRANSACTIONS WITH IRAN
UNITED STATES CAPITOL
WASHINGTON, DC 20515
(202) 225-7902

[illegible] HAMILTON, INDIANA, CHAIRMAN
DANTE B. FASCELL, FLORIDA, VICE CHAIRMAN
THOMAS S. FOLEY, WASHINGTON
PETER W. RODINO, JR., NEW JERSEY
JACK BROOKS, TEXAS
LOUIS STOKES, OHIO
[illegible] WISCONSIN
[illegible] BOLAND, MASSACHUSETTS
[illegible] GEORGIA

JOHN W. NIELDS, JR., CHIEF COUNSEL
W. NEIL EGGLESTON, DEPUTY CHIEF COUNSEL
CASEY MILLER, STAFF DIRECTOR

DICK CHENEY, WYOMING
WM. S. BROOMFIELD, MICHIGAN
HENRY J. HYDE, ILLINOIS
JIM COURTER, NEW JERSEY
BILL McCOLLUM, FLORIDA
MICHAEL DeWINE, OHIO

THOMAS R. SMEETON, MINORITY STAFF DIRECTOR
GEORGE VAN CLEVE, CHIEF MINORITY COUNSEL
RICHARD LEON, DEPUTY CHIEF MINORITY COUNSEL

2176[illegible]0

July 23, 1987

[illegible]artially Declassified/Released on 18 aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

3701

[illegible] 18 Aug 87
[illegible] E.O. [illegible]
[illegible]

MEMORANDUM

TO: Chairman Hamilton
John Nields

FROM: Robert A. Bermingham

RE: Allegations Re: Contra Involvement With Drug Smuggling

---

Synopsis

Our investigation has not developed any corroboration of media-exploited allegations that U.S. government-condoned drug trafficking by Contra leaders or Contra organizations or that Contra leaders or organizations did in fact take part in such activity. The Select Committee on Narcotics Abuse and the Crime Subcommittee of the Judiciary Committee have been conducting investigation in this area, but, to date, have not developed concrete evidence. The Crime Subcommittee and the Senate Foreign Relations Committee are continuing their inquiries, as is the Special Counsel. It is recommended that after coordination with Chairman Innouye, the Joint Committee issue a statement to the above effect and pledge cooperation with the Senate and House ongoing investigations.

Details

During the course of our investigation, the role of U.S. government officials who supported the Contras' and the private resupply effort, as well as the role of private individuals in resupply, were exhaustively examined. Hundreds of persons, including U.S. government employees, Contra leaders,

UNCLASSIFIED

representatives of foreign governments, U.S. and foreign law enforcement officials, military personnel, private pilots and crews involved in actual operations were questioned and their files and records examined. Despite numerous newspaper accounts to the contrary, no evidence was developed indicating that Contra leadership or Contra organizations were actually involved in drug trafficking. Sources of news stories indicating to the contrary were of doubtful veracity. There was no information developed indicating any U.S. government agency or organization condoned drug trafficking by the Contras or anyone else.

The scope of our investigation does not specifically include determining whether the Contras have been independently or individually involved in drug trafficking. The Senate Foreign Relations Committee, particularly Senator Kerry; the House Select Committee on Narcotics Abuse and Control under Rep. Rangel; and the Crime Subcommittee under Rep. Hughes of the Judiciary Committee, have been looking into this specific subject for some time. They have travelled to Central America, interviewed witnesses there and in Miami and have held hearings. Rep. Rangel is quoted in the Washington Post, 7/22/87, as stating his investigation, which started in June of 1986 and includes reams of testimony from hundreds of witnesses, developed no evidence which would show that Contra leadership was involved in drug smuggling. His Committee is to give its information to the Crime Subcommittee of the Judiciary Committee which will continue to investigate whether U.S. government officials deliberately ignored drug dealing by individuals who carried supplies to the Contras. The Judiciary has engaged a Miami-based investigator.

DEA and Justice have issued statements disclaiming any concrete evidence of such activities by U.S. government officials, Contra leaders or Contra organizations.

Dave Faulkner, Investigator, Senate Select Committee, advised that the Senate investigation was also substantially negative with regard to Contra drug smuggling. On 7/21/87, Faulkner and the writer conferred with Hayden Gregory, Counsel, of the Crime Subcommittee of the Judiciary. He confirmed that his committee has been and continues to investigate the question of U.S. government-sponsored Contra organizations being involved in drug smuggling. His investigation, including interviews in Central America and Miami of many of the persons named in the newspapers as suspects, has been inconclusive to date. He confirmed that several of those involved have also been questioned or deposed by the ongoing investigation by

UNCLASSIFIED

217000 UNCLASSIFIED

Senator Kerry. Gregory confirmed the newspaper account that Representative Rangel's committee is deferring to the Judiciary in this matter. He also stated he has, to date, developed no pertinent information above the level of "street talk".

During the course of our investigation, we examined files of State, DoD, NSC, CIA, DEA, Justice, Customs and FBI, especially those reportedly involving newspaper allegations of Contra drug trafficking. We have discovered that almost all of these allegations originate from persons indicted or convicted of drug smuggling. Justice has stated that such persons are more and more claiming, as a defense, that they were smuggling for the benefit of the Contras in what they believed was a U.S. government-sponsored operation. Typically, they furnish no information which can be corroborated by investigation. In addition to the above-mentioned negative file reviews, interviews with employees of these U.S. agencies have also been negative.

Contra leaders have been interviewed and their bank records examined. They denied any connection with or knowledge of drug trafficking. Examination of Contra financial records, private enterprise business records and income tax returns of several individuals failed to locate any indication of drug trafficking.

It is known that the Special Counsel is looking into this area and that the FBI has pending investigations regarding similar allegations.

## Conclusion

It is felt that additional investigation of these allegations is unwarranted in view of the negative results to date, the questionable reliability of the accusers, the fact that two Congressional committees are already deeply involved in such investigations and that the matter is currently under investigation by the Special Counsel.

UNCLASSIFIED

228

C 7156

UNCLASSIFIED SECRET [redacted]

5 August 1976

[redacted]

MEMORANDUM FOR THE RECORD

O[redacted]

SUBJECT: Mr. Albert Hakim, Iranian National and Import/Exporter Dealing Primarily in Security Systems and Technology of Interest to Military Establishments and Intelligence Services

1. **Background:** In the period May to August 1976, [redacted] [redacted] had collected numerous references to Mr. Albert Hakim, born 1936 in Tehran, Iran, which indicated that this gentleman was an influential factor in the export of American open market technology to countries like Iran and Egypt. [redacted] The synthesis of the data which was obtained in the May to August 1976 time frame can be outlined as follows:

a. Educational Background: Mr. Hakim is a 1958 graduate with a BSEE degree from California Polytech. Mr. Hakim considers himself a specialist in electronics, particularly insofar as this area of technology relates to the problems of military establishments and intelligence services.

b. Marital Status: Mr. Hakim is married and has two children. The children attend school in Switzerland.

c. Residence: Mr. Hakim resides officially in Gex, France, but he also maintains a residence in Tehran, Iran. In addition, he is a frequent visitor to the home offices of Stanford Technology Corporation, 510 Logue Avenue, Mountain View, California 94040. In addition Mr. Hakim spends a lot of time in Geneva, Switzerland.

d. Commercial Structure: Mr. Hakim is involved in a number of commercial enterprises. In discussions which deal with potential exports from the U.S. to Iran, he represents himself as the President of Multicorp International, Ltd., 130 Soraya Avenue, Tehran, Iran. In

8-17-82

C/IN 2968

DO 9367 3 11

(3450)

REVIEWED FOR RELEASE
Date 28 APR 1987

UNCLASSIFIED

E-2, IMPDET
CL BY [redacted]

229

UNCLASSIFIED SECRET

C 7157

2.

other conversations he indicates that he is the European representative for the Stanford Technology Corporation with a mailing address of P.O. Box 52, 1211 Geneva, 24 Switzerland.

e. Type of Business: Mr. Hakim has let it be known that he is currently in the process of selling the RDJ-97000 Security System of the Stanford Technology Corporation to Iran. This is an integrated security system which deals with communications surveillance, mobile direction finding and telephone monitoring. [redacted]

f. [redacted]

g. [redacted]

2. Assessment: [redacted] Mr. Hakim is quite anxious to play a pivotal role in the Iranian purchase of American technology. As a result, Mr. Hakim is casting about for contacts in the U.S. Government with whom he can find a mutuality of interest concerning Iranian attempts to procure hardware in the U.S. [redacted]

3. [redacted]

230

UNCLASSIFIED

SECRET

C 7158

3.

[redacted]

4.

[redacted]

C1/N296

RELEASE 9365 3 1

~~SECRET~~ UNCLASSIFIED

231

C 7159

[redacted]

[redacted]

Theodore G. Shackley
Associate Deputy Director for Operations

Distribution
1 - [redacted]
1 - DDO
2 - ADDO
1 - [redacted]

A
DO [illegible]064
3 1/2

C11N2968 APPROVED FOR RELEASE
Date 28 APR 1997

~~SECRET~~ UNCLASSIFIED

~~SECRET~~ UNCLASSIFIED C 09005

wang 1661A
12/9/85

NOTE [redacted] Charlie

FROM: [redacted] Joann[redacted]

SUBJECT: [redacted]Ledeen Phone Call

1. Micheal Ledeen called to speak to you this morning, with what he termed a "Flash" for you "to pass to Dewey". I explained you were out of town until Tues. night, but I was your chief of staff - could I help? He hesitated for some long moments, then said no, he'd get the message to Dewey another way.

2. Dewey is on TDY all week, so [redacted]urprisingly Ledeen called back about an hour later ("This [redacted]ike, again"), wanting me to pass a message to Dewey[redacted] message was as follows:

> "[redacted] is flying fr[redacted]eva to Frankfurt today at 1945 (local time) o[redacted] He will be having dinner in Frankfurt[redacted] at least two other men who arrived there yester[redacted]One of these guys is [redacted] native country--[redacted] by name. I don't know who the other one is. There may be more at the dinner, but there will be at least these two." [redacted]

3. I went down to EUR and talked to the Dep. Chief, who said Dewey was handling everything involved with this with the [redacted]. So I called [redacted] DESK OFFICER.

OFFICER

4. It took [redacted] a while to get back to me, but when he did, he seemed a bit confused. He did not know wh[redacted]is, but said he would find out and handle all this with [redacted] We agreed that we/he would have to move fast, because by the[redacted] we were down to a window of only a couple of hours. I'll ta[redacted] to [redacted] tomorrow to see what--if anything--occurred.

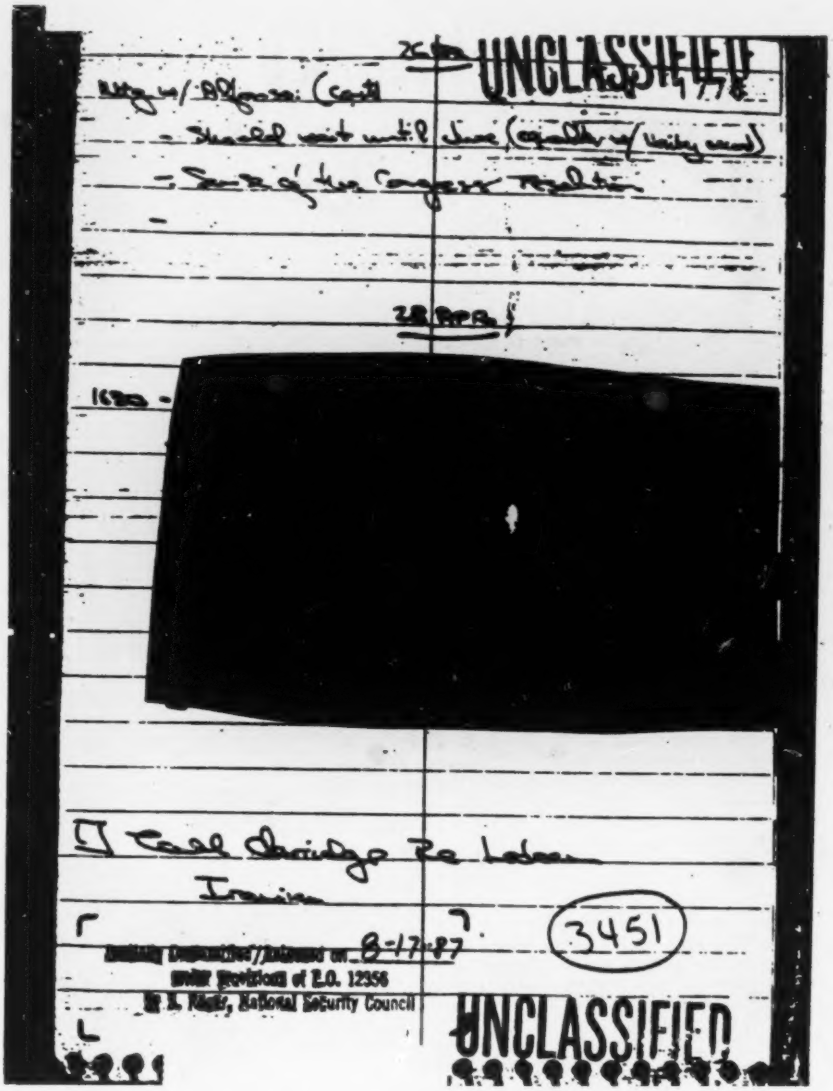
Partially [redacted] on 8-17-87
[redacted]
[redacted] Council

Ext-Gov Equity: [redacted]

CIIN 4019

(3449)

~~SECRET~~ UNCLASSIFIED



25 Apr

UNCLASSIFIED

1778

Mtg w/ Alfonso: (cont)

- Should wait until June (coincide w/ Unity accord)
- Sense of the Congress Resolution
-

28 APR

1630 - [redacted]

☐ Call Claridge Re Lebanon
Iranian

Partially Declassified/Released on 8-17-87
under provisions of E.O. 12356
by B. Reger, National Security Council

3451

UNCLASSIFIED

BARRY GOLDWATER, ARIZ., CHAIRMAN
DANIEL PATRICK MOYNIHAN, N.Y., VICE CHAIRMAN
JAKE GARN, UTAH
JOHN H. CHAFEE, R.I.
RICHARD G. LUGAR, IND.
MALCOLM WALLOP, WYO.
DAVID DURENBERGER, MINN.
WILLIAM V. ROTH, JR., DEL.
WILLIAM S. COHEN, MAINE
WALTER D. HUDDLESTON, KY.
JOSEPH R. BIDEN, JR., DEL.
DANIEL K. INOUYE, HAWAII
PATRICK J. LEAHY, VT.
LLOYD BENTSEN, TEX.
SAM NUNN, GA.

HOWARD H. BAKER, JR., TENN., EX OFFICIO
ROBERT C. BYRD, W. VA., EX OFFICIO

ROBERT R. SIMMONS, STAFF DIRECTOR
GARY J. SCHMITT, MINORITY STAFF DIRECTOR

United States Senate
SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, D.C. 20510

April 9, 1984 UNCLASSIFIED #84-1274

The Honorable William J. Casey
Director of Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

[redacted] Declassified/[redacted] on 3FEB88
under provisions of E.O. 12356
by National Security Council

Dear Bill:

All this past weekend, I've been trying to figure out how I can most easily tell you my feelings about the discovery of the President having approved mining some of the harbors of Central America.

It gets down to one, little, simple phrase: I am pissed off!

I understand you had briefed the House on this matter. I've heard that. Now, during the important debate we had all last week and the week before, on whether we would increase funds for the Nicaragua program, we were doing all right, until a Member of the Committee charged that the President had approved the mining. I strongly denied that because I had never heard of it. I found out the next day that the CIA had, with the written approval of the President, engaged in such mining, and the approval came in February!

Bill, this is no way to run a railroad and I find myself in a hell of a quandary. I am forced to apologize to the Members of the Intelligence Committee because I did not know the facts on this. At the same time, my counterpart in the House did know.

The President has asked us to back his foreign policy. Bill, how can we back his foreign policy when we don't know what the hell he is doing? Lebanon, yes, we all knew that he sent troops over there. But mine the harbors in Nicaragua? This is an act violating international law. It is an act of war. For the life of me, I don't see how we are going to explain it.

My simple guess is that the House is going to defeat this supplemental and we will not be in any position to put up much of an argument after we were not given the information we were entitled to receive; particularly, if my memory serves me correctly, when you briefed us on Central America just a couple of weeks ago. And the order was signed before that.

UNCLASSIFIED (4959)

UNCLASSIFIED

The Honorable William J. Casey
Page Two
April 9, 1984

I don't like this. I don't like it one bit from the President or from you. I don't think we need a lot of lengthy explanations. The deed has been done and, in the future, if anything like this happens, I'm going to raise one hell of a lot of fuss about it in public.

Sincerely,

Barry

Barry Goldwater
Chairman

UNCLASSIFIED

# CBS EVENING NEWS
with
DAN RATHER
(Bob Schieffer substituting)

as broadcast over the

CBS TELEVISION NETWORK

Friday, April 6, 1984

6:30 - 7:00 PM, EST
7:00 - 7:30 PM, EST
(Update)

PRODUCED BY CBS NEWS

EXECUTIVE PRODUCER: Lane Venardos

© MCMLXXXIV CBS Inc.
ALL RIGHTS RESERVED

*SCHIEFFER: U.S. Government sources have told CBS News that the Central Intelligence Agency is actively directing the mining of Nicaraguan ports. It had been thought that anti-Sandinista rebels were responsible, but these government sources say the rebels are not doing any of the mine-laying. The nationality of just who is is not known. The CIA has a freighter off Nicaragua's coast and sources say boats are lowered from it to take the mines into the harbors.

(Ahead: Month's Worth of Rain / Swish . . . History is Made)

(ANNOUNCEMENTS)

---

* Repositioned here in 7:00 East (see p. 13)

# AMERICANS ON SHIP SAID TO SUPERVISE NICARAGUA MINING

## INVOLVEMENT IS ASSAILED

4/8/84 NYT

### Actual Placement of Devices Is Reportedly Carried Out by Latin Commandos

By PHILIP TAUBMAN

Special to The New York Times

WASHINGTON, April 7 — Americans working for the Central Intelligence Agency on a ship off Nicaragua's Pacific coast have been supervising the mining of Nicaraguan harbors in recent months, according to Reagan Administration officials and members of Congress.

The sources say the mining operation marks the first time since the United States began supporting Nicaraguan rebels three years ago that Americans have become directly involved in military operations against Nicaragua.

The actual placement of the mines inside Nicaraguan territorial waters, they said, is handled by an elite group of Latin American commandos who use small, high-speed boats to penetrate shipping lanes close to shore.

#### 'Closer to Direct Confrontation'

The officials said that unlike ground operations inside Nicaragua conducted by rebel forces, which American advisers monitor from Honduras but do not control, the planting of the mines in Nicaraguan waters directly involves Americans and is under their immediate control.

Members of the Senate and House intelligence committees said the role of the Americans constituted a significant change in C.I.A. operations against Nicaragua and, as one Democratic Senator said, "crosses a threshold that brings us closer to a direct confrontation with Nicaragua."

A spokesman for the C.I.A., Dale Petersen, said today that the agency would not comment on the mining operation or the involvement of Americans. Intelligence officials said privately that Americans involved in the mining activity do not enter Nicaraguan territorial waters.

#### Territorial Limits Are Disputed

Nicaragua claims territorial waters up to 200 miles off shore, but the United States respects only a 12-mile limit. The intelligence ship that carries Americans operates outside the 12-mile limit but well within the 200-mile boundary, Administration officials said. The high-speed boats travel within a mile or two of the Nicaraguan coast.

Based on the 12-mile limit respected by the United States, intelligence officials contended that Americans are not directly involved in military operations against Nicaragua but instead serve in an advisory capacity in international waters similar to the role of Americans based in Honduras who train and continue to help supervise rebel ground forces inside Nicaragua.

Members of Congress, including Democrats and Republicans, said the

Continued on Page 12, Column 3

fact that Americans remain outside the 12-mile limit does not lessen their responsibility for the operation.

"We have carefully monitored these activities to insure that, whatever else happened, Americans didn't get into combat-type operations against Nicaragua," a Republican member of the Senate intelligence committee said.

#### 'Involved Directly'

The Senator, who asked to remain anonymous, added: "That distinction has now been lost. When an American is on the mother ship in a mining operation, he's involved directly in military activities. It's irrelevant whether the ship is in international waters."

Neither the Senate nor House committees were informed about the mining or the participation of Americans until recent weeks. Senator Daniel Patrick Moynihan, Democrat of New York and vice chairman of the Senate Select Committee on Intelligence, said in an interview Friday, "The mining must be stopped and it will be stopped." He said the Senate committee has scheduled a meeting next week with senior C.I.A. officials to discuss the mining operation.

#### French and British Opposition

Mr. Moynihan, who earlier this week voted in favor of giving the C.I.A. an additional $21 million to support Nicaraguan rebel activities this year, said he opposed the mining on the grounds that it violates freedom of the seas and places the United States in "the absurd position of laying mines that Western European nations may come and remove."

Mr. Moynihan was referring to an offer by France, made public on Thursday, to help Nicaragua clear the mines. Britain told the Reagan Administration earlier this week that it disapproved of the mining as an interference with international shipping.

The House Select Committee on Intelligence was briefed about the mining operation within the last two weeks, according to members. There is widespread opposition among House Democrats to the $21 million increase in covert aid to the Nicaraguan rebels approved by the Senate this week, and the mining issue is expected to play a major role in House debate on the measure.

#### Mining Began 2 Months Ago

The mining of three Nicaraguan harbors, Puerto Corinto and Puerto Sandino on the Pacific coast and El Bluff on the Atlantic, began two months ago without notification of Congress, according to members of the Senate and House intelligence committees. The mines have damaged vessels from six nations, including a Soviet freighter, since March 1.

The C.I.A., under federal law, is required to keep Congress informed about the intelligence operations. Members of Congress, although irritated by the delay in this case, said the agency could reasonably have concluded that Congress implicitly approved an operation such as the mining when it authorized financing for the covert activities against Nicaragua.

Administration officials said American technicians were involved in supervising the mining because relatively advanced equipment was involved. They said three kinds of mines, ones that respond to direct contact, sound waves and water pressure, have been planted in Nicaraguan waters.

The mines, according to the Administration officials, were assembled in Honduras and El Salvador with the help of Americans. For the mining of Puerto Corinto and Puerto Sandino, they said, the mines and small, high-speed boats used to place them in shipping lanes were transported to waters off Nicaragua aboard a larger vessel that serves as the nerve center for the operation.

#### Ship Modified by C.I.A.

The ship, which was modified by the C.I.A. to support mining operations, carried both Americans and an elite unit of Latin Americans who were trained to plant mines by the United States, according to the Administration officials.

The actual planting of the mines in harbor approaches was done by the Latin Americans, the Administration officials said, following plans prepared by Americans aboard the headquarters ship.

Administration officials said that if the mining operation is suspended because of Congressional opposition, the mines already planted would not pose an indefinite threat to shipping because they are programmed to become inoperable after several months.